This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

Usage guidelines

Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

We also ask that you:

+ *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.

+ *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.

+ *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.

+ *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

About Google Book Search

Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at `http://books.google.com/`

B 460951

Gen. 1 IX

Library of Congress
Chap.
No. 173
DUPLICATE
EXCHANGED
UNITED STATES OF AMERICA.

J
87
.M39

[Document A.]

ANNUAL MESSAGE

OF

THE EXECUTIVE,

TO THE

GENERAL ASSEMBLY OF MARYLAND.

Exchange Duplicate, L. C.

December Session, 1842.

Dup. U. of C.
Oh.

ANNAPOLIS:
GEO. & WM. JOHNSTON, PRINTERS.
.....
1842.

LIBRARY OF CONGRESS
DUPLICATE
EXCHANGED

Chicago Univ. Library
Exch.
5-23-1927

MESSAGE.

Gentlemen of the Senate,
and of the House of Delegates:

THAT the Legislature may have, at an early stage of its session, a general view of the condition of the public affairs of Maryland, custom has very properly imposed upon the chief magistrate, the duty of making an annual communication. At this time, its candid and truthful discharge, (owing to the crippled and disordered condition of the finances of the State,) devolves upon him a high and unusual responsibility, and, if not a mortifying, certainly not an agreeable task.

Highly influential citizens of the State, enjoying the public confidence, and filling stations giving to their opinions undue authority, had united in inculcating the belief, that public and private interests were to be greatly benefitted by the policy which, for many years characterized our legislation. At length, however, the enormous amount of our public debt, destroying altogether public credit, roused the whole people to see and feel the reality of our situation. The apprehensions, very naturally excited by the deplorable condition in which the finances of the State were found to be, were in some degree soothed by the measures of your immediate predecessors, designed as they were, to furnish the means whereby the faith of the State should be maintained, and its engagements promptly met, and fully discharged. But, it has now become my painful duty to announce to you, that these measures have proved inadequate to the accomplishment of the object for which they were designed. This duty, unpleasant and mortifying as it is, imposes however, responsibilities far short of those devolved upon you, who are not only to ascertain and expose the extent of public embarrassments, but, to devise and apply an appropriate remedy. But whilst the Constitution assigns to you this more important labour, it is believed to be not unbecoming for me to declare, that the time has arrived when a decisive and distinct course ought to be adopted and pursued, as being alike due to our common constituency and their creditors. Coming as you do from the bosom of the community; representing every section of the State, enjoying its confidence, and familiar therefore, as you must be, with its wishes, intentions and resources, you are qualified, and doubtless prepared, to examine

and dispose of every question suggested by the condition of our public affairs, in a manner satisfactory to all parties interested.

In estimating the extent of the obligations of the people of Maryland for which provision is now to be made, we must include a portion of the public debt of the city of Baltimore; because, to the extent of the contributions of the people of that city to pay the interest on their own internal improvement debt, their means to meet the necessities of the State government are necessarily diminished. Of the whole debt of that city, $4,830,000 were borrowed by authority of the Legislature, to prosecute the system of internal improvement. This large sum being invested in stocks, yielding little or no dividend, the corporate authorities of Baltimore are compelled annually to levy $270,000 to pay interest. In addition to this, an annual tax is paid for municipal purposes, analagous to the contributions of the people of the several counties for local objects. To decide rightly then, as to the capacity of the people of the whole State to endure the taxation necessary to maintain the public credit inviolate, we are to form an aggregate of this internal improvement debt of our commercial emporium, and of the unproductive investments in road and canal stocks, made by those who have acted directly under State authority.

The public debt of the State is $15,211,393.94;—deducting from this sum $3,200,000 for the bonds issued to the Baltimore and Ohio Rail Road Company, and $1,000,000 for the subscriptions of the State in the stock of the Baltimore and Ohio and Baltimore and Washington Rail Road Companies, and certain other amounts, considered by the Treasurer as not *now* chargeable upon the Treasury, and we have $10,000,000, of the State's debt, bearing an annual interest of $600,000 for which we are to make provision. To this is to be added, $4,870,000 for the internal improvement debt of Baltimore, and there is then ascertained, a public debt of $14,830,000 with an interest of $870,000, annually chargeable on the whole property of the State, assessed at $196,751,148.98, requiring a permanent tax of 71 cents in the hundred dollars for the city of Baltimore, and of 31 cents on the hundred dollars for the residue of the State.

Besides this amount of permanent debt, there is due to the Banks of the State $128,203,—to Messrs. Baring of London $104,864, and to holders of the State bonds $626,589, making $859,656 payable on the first day of December 1842, for interest in arrear.

The Legislature at an extra session holden in April 1841, authorised the levy of a direct annual tax of 20 cents in the hundred dollars, and, at Dec. session of the same year, authorised an additional tax of five cents in the hundred dollars, the whole for the years 1841-'42, amounting to $885,380, and made payable by instalments into the Treasury by the first day of March 1843. Of this amount the Treasurer has received the sum of $262,994.52; the city of Baltimore and each of the counties in the State, except Worcester, Somerset and Calvert having paid a portion of it. The Treasurer has paid this sum to the Banks of the State on account of advances made by

them to the Treasury, thus reducing their claims to $128,203, as before mentioned, and leaving a balance of $622,386 due, and payable to the Treasury on or before the first day of March 1843, and applicable to the payment of the $859,656 for interest in arrear.

In this aspect of the condition of the public finances, all reference to the income of the State other than that to be derived from the direct tax, is purposely omitted, the Treasurer being satisfied that, the revenue from other sources will not exceed the amount required to defray the ordinary expenses.

Taking this view of the debt and resources of the State, the Senate and House have the opportunity to determine, whether the existing assessment laws require any modification; and, whether an increase of the direct tax can be looked to as a means to maintain the public credit. It is presumed, that it cannot be the purpose of the Legislature to compel, by the policy of its enactments, the destruction or conversion of the capital of the tax payers, as that would inevitably, and soon exhaust the sources of revenue. Assuming then, that the taxes are to be paid out of incomes and profits, it may be well to consider, whether instead of adding to the direct tax, at this time, it would not be proper to extend indulgence, by prolonging the time, within which, taxes now due, are made payable.

The payment into the Treasury, as is now by law required, of $622,389, between the first day of December, 1842, and the first day of March, 1843, a period of three months, is equivalent to a tax made payable in twelve months, of one hundred and twenty-four cents in the hundred dollars. If, in the exercise of a benignant indulgence that seems to be called for by the character of the times, the Legislature should extend the period within which these large exactions for public purposes are to be raised, to the end of the present fiscal year, still, the incomes and profits of the people of the State would be so much reduced as to make the strictest economy with all, and serious privation with many, necessary and unavoidable. For it must be remembered that, in addition to the large sum due and payable on the first of March next, existing laws and the wants of the Treasury demand, that a further sum of $491,877, shall be collected by the first of December 1843. By adding this last amount, being the tax of twenty-five cents in the hundred dollars, payable annually under acts of April and December sessions of the year 1841, to the $622,389 due on the first of March next, in pursuance of the same laws, and the $270,000 annual internal improvement tax of Baltimore city, we discover $1,384,266 is to be paid within the year, equivalent to a levy of ninety-seven cents in the hundred dollars for Baltimore, and of fifty-seven cents for the State at large.

From what has been said, it is apparent, that it was the design of the Legislature to provide for the payment of the whole interest in arrear on or before the first of next March; and it is equally

manifest, this object will not be accomplished. The interest in arrear is, as already stated, $859,656, and the revenue intended for its payment being only $622,386, there will be a balance of $237,270 chargeable on the assessment of 1843. To this we are to add $600,000, the anticipated deficit in the Treasury for the year 1843, making $837,270, and from that sum to deduct $491,877 the revenue to be expected from the direct tax for the same year, and there will be a balance of $345,393 to be provided for.

As the sinking fund may be looked to by some, as a source of supply to the Treasury, it is proper to state, that of this fund $1,158,476 is invested in the bonds of the State, and that the balance of $20,856 alone could be made available.

The general stagnation in business, the depression of prices, and diminution in the amount of the currency, naturally lead us to inquire as to the policy of providing a medium, that would facilitate the payment of the very large amount of taxes to come into the Treasury within the present fiscal year. Neither inconvertible paper, nor an increase of the bank issues are to be thought of. But it may not be considered inexpedient to authorize the tax-collectors to take in payment of the public dues, the coupons of the State bonds, and certificates of the commissioner of loans for interest, which it is proposed to pay out of the revenue to be collected. These evidences of debt are now much below their nominal value. They may be purchased by capitalists at present prices, and as the means for their ultimate payment are provided, the holders hereafter are to make a valuable speculation. If a certain portion of them were made serviceable in the payment of public dues, to be destroyed by the Treasurer upon being received, every tax-payer could become a purchaser; the price of them would be increased by competition in the market, and the burthen of the taxes would be diminished to the extent of the difference, between the sum paid to the holders of claims for interest, and the par value of such claims. In the event of such a policy being adopted, it would be necessary, of course, to classify these claims against the Treasury, so as not to have those receivable in any one year to exceed the amount of revenue payable within the same period.

The expediency of authorizing the Treasurer to use the bank stocks of the State by their transfer to its creditors, to meet the current demands upon the Treasury, is entitled to consideration. Such a measure would effectually separate the State government from the banking corporations, and in dissolving that alliance be productive of much good; and to the amount of the bank stock relieve the people from heavy and burdensome taxation. It does not seem to be sound policy to lay taxes to pay interest while we hold perishable capital that may be rendered, by mismanagement hereafter, entirely unavailable. To guard against unnecessary sacrifice, a minimum price could be fixed upon the stock.

I have no means of ascertaining what revenue may be expected for this year, (none having been received for the last,) under the

various tax laws passed at the last session. To obtain the information, inquiries were addressed to the officers having charge of their execution, and their replies will be submitted for your consideration.

If the law requiring licenses to be taken out by brokers is to be persevered in as a means of raising revenue, a modification of its requirements is indispensable, inasmuch as the sum demanded is so high as to preclude persons from applying for them. The income tax law needs, also, a declaratory statute to ensure to its provisions an uniform construction.

It is impossible to contemplate this condition of affairs without wonder and surprise, that, a prudent and economical people, enjoying justly a high character for the punctilious performance of all engagements, public and private, should be involved in a few years, in debts so enormous. In 1830 the State was in full possession of the means from its ordinary revenue, to meet promptly all its liabilities. About that time, the policy of internal improvement which promised to overwhelm the general government with debt and taxes, was undergoing a most strict and rigid examination. Public attention was directed intently, to the deliberations of Congress on the subject, and a public opinion, deep, strong and resistless, formed against the whole system, as equally premature, unwise, inexpedient and unconstitutional.

The veto of the then President on the Maysville and Rockville roads, and his triumphant re-election in 1832, were hailed as indications that, the day was yet distant, when the people of the United States were to be made to feel, that no form of government can be considered a guaranty for the peaceful enjoyment of the rewards of industry. Those who were administering the government of the Union, in all its departments, heeded the admonitions given by their constituents at the elections, and a course of measures in accordance therewith, eventuated in the payment of the whole national debt, in the reduction of taxes, and in the accumulation of a surplus of revenue of $28,101,644.91 which was afterwards distributed to the States. Unfortunately for this ill-fated State, every department of its government was under control of those holding opinions, which had been condemned by the judgment of the whole country. They refused to abandon altogether, an extravagant system of roads and canals that cannot be consummated in a country like the United States, where population is scattered and sparse. Measures were taken to place Maryland in the van of those States ambitious of rivalling Great Britain, Holland, and other countries where the population is crowded and dense, and where their vast numbers justify large expenditures to facilitate intercourse. In the short space of seven years succeeding the veto of the President, our State debt was augmented more than twelve million of dollars. Within the same period, other roads and canals were projected, until, (it will seem incredible now when the public mind is perfectly sobered,) we beheld the little State of Maryland, having ten thousand square

miles of territory, and 318,194 white inhabitants, staggering along with undertakings that would task the financial resources of the whole kingdom of Great Britain, clothed as it is with power, by means of its standing armies, to extort for public purposes, from the hand of industry, every dollar it has earned.

We were, at one and the same time, projecting or constructing a rail road to Annapolis, a rail road from Baltimore to Washington, a rail road from Baltimore to the Susquehanna, a rail road on the Eastern Shore, a rail road from Baltimore to the Ohio, and a magnificent canal from tide water on the Potomac to the Ohio river. If the people of the State had then comprehended, as they do now, the means by which this grand system was to be conducted, it is not to be doubted, but that they would have risen in their strength and have swept from power, everywhere, all its authors. Or, if the unfortunate purchasers of Maryland bonds had then understood, as most of them now understand, the financial measures devised to ensure the punctual payment of interest promised upon the face of them, speculators and their speculations must have been arrested, for no one would have been hardy enough to make investments of his capital in securities, for the payment of the interest on which, no suitable means had been provided.

There was a time when no statesmen would have risked his reputation by proposing to contract a public debt, without at the same time levying a tax to pay the interest, and eventually to redeem the principal. It was considered but just to levy the tax, that those who were to pay the debt might have full and distinct warning as to the extent of the obligations they were entering into; and, it was esteemed equally just to do so, that the public creditor might make his investments on a sure foundation, and with a perfect understanding of their character. This salutary rule was disregarded by those who had charge of our public finances. They depended for the payment of interest upon contracts, entered into with the various companies to which bonds had been issued, and those companies relied upon the remote and very contingent possibility that the works projected, would when completed, afford an income to pay interest on the cost of their construction. By this proceeding both the tax-payers and the public creditors of Maryland have been misled; and now, the alternative is presented of repudiating our debt, or, of submitting to the exactions of the tax-gatherer.

Such was the indignation of many, when first awakened to a true conception of the whole subject, that a strong disposition prevailed to deny all obligations to pay the debt, on account of the absence of constitutional power in the Legislature to contract it. In support of this opinion, the thirteenth article of our Bill of Rights, (which is declared to be a part of our Constitution,) is mainly relied upon. It is not obvious that it will bear such a construction. And moreover, it is not clear that it would be right now to interpose such an objection to the payment of the debt, since the people of the State have year after year, from the various counties and

cities, re-elected those who were fastening on us the policy, now so grievous in its consequences.

The article of the Bill of Rights alluded to, declares that, "every person in the State ought to contribute his proportion of public taxes for the support of government, according to his actual worth in real and personal property." It is contended that taxes can be levied only "*for the support of government*," engaged in legitimate objects, and it is denied that the construction of roads and canals is one of the purposes for which the government was organized. Without intending to enter into the argument, it may not be amiss to remark, that one of the modes of ascertaining the true meaning of the Bill of Rights is to be found in the practice, purporting to be in pursuance of its provisions, of those by whom it was framed. Looking for that practice we find the statute books of Maryland are full of laws authorising the opening and establishing of roads. And we find also there, numerous acts of Assembly delegating power, (and the Legislature cannot delegate what it does not possess,) to the corporate authorities of cities to open, pave, and otherwise improve streets, and to commissioners and other officers of counties, to lay out and repair roads; to build bridges, and to levy on the assessable property within their respective jurisdictions, taxes to defray the expense attendant upon the exercise of the powers thus granted.

Whatever may be the contrariety of opinions, all doubtless, honestly entertained, as to the constitutional competency of the Legislature which contracted our internal improvement debt, it would seem there must be a concurrence of opinion, that the present lamentable state of things demands some guaranty to the rights of private property for the future. However the contest between those who deny, and those who contend for the existence of this power in government may eventuate, it is easy to foresee the most lamentable consequences are inevitable to one or the other class, equally innocent, of its unfortunate victims. If the debt could be repudiated, numerous bond-holders are to be beggared; and if it is paid, the people of the State are to be oppressed, most grievously, with taxation. Seeing this, ought not all to unite in devising an effectual, complete and perfect guard against a possible recurrence of such painful alternatives.

Experience proves that the vigilance of the people is not always a sufficient guard against improvident legislation. Occupied as they must be, by daily returning toil, in pursuits intended to secure personal comforts for themselves and their families, they have not an eye constantly fixed on the proceedings of their representatives. Intervals of a long series of years will occur, when public attention is diverted too much from the action of government, and at such times, mistakes and abuses, in the administration of public affairs, gross and glaring, will be committed necessarily. For these ordinarily, a remedy is to be found in a change of rulers. No such remedy however can be applied where the public faith has been pledged under contracts, entered

into by one generation, to be fulfilled by another. This being the case, the instances in which, and the purposes for which a public debt may be contracted, ought to be pointed out, distinctly as possible, in the Constitution.

As necessarily connected with the subject of the public debt and internal impovements of the State, the attention of the Legisture is invited to the law passed at December session, 1840, prescribing the mode in which all agents and directors, intended to represent the State in the joint stock companies, shall be appointed and continued in office. To appreciate the purpose, intent and effect of this law, a few preliminary observations are indispensable.

It is known everywhere, that prior to 1836 the Governor of Maryland was elected by joint ballot of the two Houses of the Legislature. It is equally well known, that at that time, such was the unjust principle of apportionment, adopted in the distribution of the members of the Legislature to the several counties and cities, that a very small minority of the people had perfect controul of both branches. This took necessarily and entirely out of the hands of the majority, the whole executive and legislative power of the State. For a long series of tedious years, the majority continued to remonstrate against this anti-republican and tyrannical organization of the powers of government. Their petitions were not heeded, although the Legislature was especially clothed with power under the Constitution to remodel and amend it, so as to adapt its provisions to changes, which its framers foresaw, when they were fashioning it more than half a century ago, would take place in the distribution of the wealth and population of the State. Wearied at last with merely petitioning for a surrender of usurped power, exercised as it often was most unjustly and oppressively, the representatives of the majority of the people, the patriotic and glorious nineteen senatorial electors, in strict conformity with the very language of the Constitution, devised and executed a movement, intended and well designed to force, if not an entire surrender of inalienable rights, at least some compromise of conflicting claims. The movement was succeeded by amendments to the Constitution, re-organizing the executive and legislative departments of the government. The people were authorized by direct vote to elect a chief magistrate, clothed with all the executive powers which his predecessors had possessed. The House of Delegates was new modeled, so as to make it approximate more nearly than it had done, a body where the popular will could be reflected. The members were also re-apportioned amongst the counties and the city of Baltimore, but neither wealth nor population was made the basis of representation. An arbitrary rule was adopted under which, the large counties and the city of Baltimore have five, and the smallest counties have three delegates. The Senate was changed, so as to dispense with the agency of electors, each county and the city of Baltimore having power to chose one mem-

ber. And now, the Senate is so constituted that the members in that body, representing less than one-third of our population, can prevent the passage, or repeal of laws, against the sense of the other members of that body, representing the other two-thirds of the population, and the entire House of Delegates united.

At the time of the election of my predecessor, the agents and directors of the State in the several joint stock companies were by law to be appointed by the Governor, subject to the confirmation or rejection of the Senate. This mode of appointment had prevailed during the existence of the old Constitution, while the minority had uninterrupted sway. This power is now not only taken from the executive, but from the House of Delegates. The present agents and directors of the State were appointed by this law at December session 1840, to continue in office until their successors should be chosen by concurrent vote of the two houses. They have been continued in office since without re-appointment, as the House of Delegates and Senate have never concurred in the election of their successors, and it is not probable they will speedily do so.

The interest of the State is very large in the companies incorporated to make roads and canals. The power of those companies is very great to effect the well-being, the happiness and prosperity of the people. Through their influence over the Legislature, an enormous public debt has been contracted. In the exercise of their authority, the whole currency of the State has been repeatedly deranged. Their incomes and disbursements exceed largely, the ordinary revenue and expenditures of the State, and in fact they constitute an *imperium in imperio*, sufficiently powerful to justify a people jealous of their rights, in insisting upon the subordination of their governments to the only sovereign power in the State, the popular will signified through its immediate representatives. It is most respectfully submitted for your consideration to determine, whether this law of December session 1840, ought not to be repealed, or at least remodeled so that the authority with which the Senate is now clothed, may be placed in the House of Delegates, or in the Legislature, to be exercised on *joint* ballot, to guard against its employment for any other purposes than those promotive of the great public interests involved. It cannot be expected that all parties, and all classes can be harmonized in support of any system of taxation that may be devised, if the whole people are to pay, and the minority alone, to manage and expend all the public revenue.

Letters will be communicated which have been received from the Treasury Department of the United States, giving information as to the distributive share of this State of the proceeds of the sales of the public lands. From them it will appear, that the distributive share of Maryland is $15,187.84, and that the claim of the United States on account of interest due on Maryland bonds held in trust for certain Indians, is $19,483.81, and that the Treasurer of the United States has retained the whole fund, and still has an unsettled demand for $4,296.27.

Nothing has influenced more fatally the evil councils by which so many of the States have become involved, than the delusive expectations re-kindled constantly as fast as they are quenched, of pecuniary largesses from the national treasury for State purposes. The distribution law, (miscalled the deposit act,) which beggared the general government, whilst but few of the recipients of its bounties have been enriched, caused a most unfortunate revolution in public feeling, if not in public opinion. The possession of that fund, stimulating as it did the wildest public speculations, destroyed at once, all those salutary restraints founded in the habits of the people, and the condition and powers of their local governments. An inexhaustable fountain of wealth, it was believed, had been opened, which was to flow in perennial streams into the State treasuries. State legislators, it was thought, were no longer to be limited in their operations, or abridged in their expenditures, by the amount of revenue they might be emboldened to take directly by taxes from the pockets of the people. A new source of supply was to come through the breach made in the Federal Constitution. Private property was to be obtained for public purposes, by a less perceptible, because more circuitous route. High tariffs were to be levied to supply, not only the demands of the national treasury, but in conjunction with the land sales, to furnish a surplus for distribution, after that deposited was exhausted. Under the influence of these and similar delusions, the large and oppressive debt of Maryland has been contracted. And now, when the people are groaning under the weight of the taxes imposed, we have an exhibit of their share of the vast amounts expected from the national treasury, in a sum insufficient to pay the interest on a few bonds held in trust for tribes of Indians. This is the result of the land bill. It is as fruitless as ashes. This melancholy and mortifying disappointment to most buoyant hopes, should warn the tax-payers not to be tantalized by specious devices. Our public debt, if paid, must be paid out of our own resources. Whoever thinks otherwise, follows a phantom.

The evil consequences, threatened by our State liabilities to our institutions, are greater far in the measures they have prompted as a means to escape their direct payment, than their effects as invasions of the rights of private property. There is an energy and elasticity in the American character, that will soon cause the whole country to recover from its present depression, without governmental aid in any form. But there is cause to fear that errors of opinion, growing out of our pecuniary difficulties, as to the nature of our complex and beautiful system of government, may not be so soon eradicated. Unlimited authority to dispose of the public lands, was not seriously and generally claimed for the government of the Union, until after the power to consummate a grand system of roads and canals was denied to be in Congress. After that, the deeds of cession for that part of the national domain lying east of the Mississippi and north of Florida, were so construed as to make language, declaring expressly that the land ceded to the United

States "should be considered a *common fund*," for the use and benefit of the United States, mean that the grantee in the deed should dispose of them, and make *separate funds* for each of the States in the confederacy; and the stipulations in the same deeds that the lands should be used for the benefit of the *United States*, according to their usual "respective portions in the general charge and expenditure," was made to signify, that Congress should have power to distribute to the *several States*, the money arising from land sales, not according to their respective portions in the general charge and expenditure, but to an *arbitrary rule* of distribution, to be found in the land bill. As to the vast domain purchased by money out of the common treasury, no power to distribute the proceeds of its sales being found in the several treaties, authority for that purpose was derived from that article of the Constitution intended only to clothe Congress with power to sell the lands, or dispose of them in the same manner as the other property of the United States may be, for the purposes of the general government.

The land bill, the creature of these constitutional doctrines has had its day. It has most signally failed to answer the purpose of its authors; and we are now to encounter, in another form, a temptation to give such an enlargement to the powers of the general government, as would ultimately consolidate under one head, all those now possessed and exercised by the several States.

The proposition to issue a government stock of several hundred millions of dollars, to be exchanged for State bonds, has as yet but few public advocates. It is however sufficiently countenanced to justify serious consideration. It is not designed to relieve the people of their obligation to pay annually the interest of their public debts, but, to have the taxes for that purpose levied by our representatives in Congress instead of by the members of the State Legislature. And it is intended to have the necessary taxes imposed on our wearing apparel, on our sugar, coffee and salt, instead of our lands and personal property.

There is no power in Congress to levy taxes, duties, imposts or excises which shall not be uniform throughout the Union. There is now no surplus in the national treasury. It is then obvious, if the States' debts are to be assumed, that it will become necessary for Congress to levy heavy taxes, not only on the people of the indebted States, but upon those of the whole Union. How the States involved would be relieved by this process is not perceivable. The tax-gatherers it is true, would be placed out of sight, but their exactions would not be on that account the less exorbitant. And our constituents, without experiencing any alleviation of their own burthens, would have only such consolation as might be derived from the conviction that they had assisted to extort from their fellow citizens in other States, large amounts of their means, not needed for the purposes of their governments, and therefore destined to be wasted in extravagant projects of improvement, or on objects even less advantageous. Besides, no article of the Federal Constitution, even by the most forced construction, can be called in aid of

this bold undertaking. In all the precedents relied upon to justify such a measure, it will be found that Congress required, that the debts of the States to be assumed should have been contracted in the discharge of such duties, as the general government is authorised to perform for the whole Union. Such was the basis and character of the act of 1790.

If Congress will assume the payment of State debts, without regard to the purposes for which they were contracted, there will then be no limits to the power of the general government, worth preserving, except those to be found in the State Constitutions. In such an event, we would be already under a consolidated government, and the present generation would in all probability witness, a division of the Union into as many separate republics as there are contrarient and antagonist interests, now moving in perfect harmony around a common centre. If you concur with me that consequences like these may possibly grow out of the proposed measure, it cannot be doubted but, that your deliberations will result in its prompt rejection.

The annual communication of the Chesapeake and Ohio Canal Company has been received, and will be laid before you. It makes an exhibit of its affairs, by no means encouraging. The debt of this company to the State, for interest, was on the 1st December $1,104,368. Their debts to other parties on the same day, amount to $886,677. They require to complete the canal to Cumberland, $1,545,000. This bankrupt condition of the Canal Company, and the deep embarrassment of the State, may be, in a considerable degree, traced to the rejection, at December session 1839, of the bill, intended and calculated to afford the means to the company to proceed without interruption, in the work then in progress. While we are prepared to point to the calamitous consequences of that act, the motives for it are not so palpable. Charity would teach us to trace it to most erroneous opinions of public policy.

That the canal ought to be completed to Cumberland is generally conceded. The work was originally undertaken, mainly, in the expectation that the transportation of coal, lying beyond and in the vicinity of Cumberland, would remunerate the stockholders, and greatly benefit the State, by developing its mineral resources. Under these impressions, one half of our whole internal improvement debt was contracted, to prosecute the undertaking, and that amount is now an unprofitable investment, and will continue so, until the canal constitutes a line of communication between the coal fields, the iron ore banks, and lumber regions of Allegany, and tide water in the Potomac. The sum now required to complete this line, is estimated by the chief engineer of the company, as above stated, at one million five hundred and forty-five thousand dollars. This estimate is believed to be correct. How this money can be procured is a question, entitled to your most serious consideration. Upon its solution depends, in a great degree, the efficacy of all other mea-

sures, devised to maintain the publie credit. Taxation will be submitted to, more cheerfully, if a day, not too distant, can be distinguished, when the income on the canal will diminish, if it did not remove altogether the public burthens. But, if that work is to continue as it is now, entirely unproductive, there is cause to apprehend that public patience and endurance may be exhausted. In addition to the amount required to finish the canal, a further sum is necessary to liquidate the claims of its meritorious creditors. They have faithfully given their labor to the construction of that part of the canal now to be completed. In so doing, they have given value, to the amount of their claims, to the property on which the State holds a mortgage; while, by reason of this lien, they are denied an opportunity, to enforce a compliance with contracts, entered into with officers of the company, acting under authority derived from the State itself. It will not be anticipated, that as a means of saving the stockholders of the company from pecuniary sacrifices, these claims are to be pretermitted in the seizure of the fruits of the labour of the parties to whom they are justly due.

It is much more easy to decide, as to the impolicy of measures proposed to complete the canal, than to devise suitable and efficient means to consummate so desirable an object. All will admit that no measure would be salutary, analagous to those, the evil consequences of which we have so recently experienced. The grievous consequences to the whole State, and the cruel wrongs inflicted, by that derangement of our currency, from the effects of which we are now only recovering, should warn us against adopting any measure, that may again flood the State with a paper not redeemable in gold and silver. Unless the past be forgotten, it would seem, that no measure, clothing with power the directors of the Canal Company, to circulate anything but money, would be for a moment entertained. To authorize their medium of payment, to be either, in scrip of small denominations, or, in bonds of the company fluctuating in value, would cause the whole community, where their work is to be prosecuted, and the State at large, in a great degree, again to become a theatre for the most ruinous and demoralizing speculations.

The Legislature at its last session, in compelling resumption of specie payments, by the banks, responded to the well ascertained public wish in favor of a sound currency, redeemable on demand in gold and silver. That action was forced upon the State by dearly bought experience. The directors of the various companies engaged in internal improvements, in the exercise of an acknowledged power, and responsive to the ascertained will of the Legislature, had, in unison with the banks, put in circulation a quantity of irredeemable paper, far beyond the wants of the public. When that reflux of the tide, to which all paper currency is exposed, swept over us, hundreds and thousands, incapable of resistance, were borne upon it to irretrievable

ruin. Notwithstanding this very recent calamity, there are those now, such is their zeal in behalf of those interests, supposed to be identified with the canal, who are ready and willing to adopt a policy like that we are considering. They are prepared to clothe the canal directors with express authority to issue, and circulate, bonds, scrip, and other evidences of debt, having no other basis to rest upon but, that to be found in the remote contingency of a large and liberal income from the canal, when finished, three years hence. Such a circulation must, even if it accomplished the purposes of the stockholders, disturb again all the interests of society, and ultimate, as the like currency formerly did, in the beggary, and bankruptcy of whoever may trust in its delusive promises. To the Senate and the House, the public look for a guaranty against any such disastrous proceedings. To them belongs the responsibility to decide, as to the extent of the powers which the officers of this corporation shall exert. Should the law even permit the circulation of irredeemable paper, the company may be justified in exercising any authority it may possess. Nothing but an express prohibition, to its issue, in any law that may be designed for relief, will afford effectual protection to all interests involved.

The policy of amending the canal charter, so as to authorize an issue of a preferred stock, to an amount sufficient to complete the canal, and pay its debts, may be entitled to some consideration. When the canal is completed to Cumberland, we may safely anticipate a trade sufficient to keep the work in repair, and yield an amount of tolls, not less than two hundred thousand dollars annually, to be divided amongst the stockholders. Assuming that this anticipation may be realized, we should have in the tolls of the company, a fund, abundantly adequate, to ensure a prompt payment of a dividend of six per cent. per annum, on at least three million of dollars; a sum more than may be required to accomplish the purposes we so much desire to attain. The State could, out of its annual income, set apart in the hands of commissioners a sum, sufficient to pay the interest on such stock until the Canal could be finished.

With the certainty of such an interest, on a preferred stock under charter stipulations, which could not be disturbed, either by the directors of the company, or by the State, it does not seem very unreasonable to expect, that capitalists may be found, willing to pay money for an amount sufficient to finish the canal The creditors of the company would certainly find such certificates of stock more available than the evidences of debt they now hold. An issue of State bonds is considered by all out of the question.

Your attention is respectfully invited to the consideration of the Judiciary system of Maryland. The State is divided into six Judicial districts, but upon a basis of the grossest inequality. For instance, in the sixth district there is a population of upwards of one hundred and fifty-one thousand, whilst in the first, there is but

a population of forty-eight thousand seven hundred and eighty-six. When it is remembered that, all the people contribute alike, in proportion to their property, to the wants of government, there ought to be no such gross inequality in the distribution of the fund intended to secure a prompt and efficient administration of the laws.

We have in commission, twenty-one common law Judges and a Chancellor, at an expense for their salaries of $36,500 per annum. There can be no question but that many of these officers are supernumeraries. We are now surrounded by States, in no one of which is to be found, such an extravagant and ill-organized Judiciary system as ours, and in all of which, the laws are still faithfully executed without complaint from the public as to their delay, and an absence of all protest by the Judges in commission, against the imposition of duties too onerous to be easily performed. Indeed, there is not a State in the whole Union, notwithstanding the population of several of them is quadruple that of ours, where the number of the law Judges, and the amount of their salaries, are not less than those of Maryland. New York, Pennsylvania, Virginia and Ohio having, three of them, a population four times greater, and one of them a population more than three times greater than ours, pay respectively a less sum in the annual salaries of their Judges than that with which our Treasury is charged. The same States have each a superficies over which their laws are extended, more than four times as great as that of Maryland, and nevertheless have in commission a less number of Judges. In the payment of unnecessary salaries to Judges, since our system was framed, more than five hundred thousand dollars have been wasted. With these illustrations before us, of the effects to be expected from a re-organization of the system, so as to diminish sensibly its cost, we ought not to pause in the discharge of a high public duty, from any apprehensions as to the effect of such a proceeding on the interests and well-being of society.

Besides these objections to the system, another will be found in the fact, that no effectual means are provided in the Constitution, to get rid of Judges once commissioned, as promptly as the public interests may sometimes demand. The tenure during good behaviour is found in practice to be tantamount to a term for life. A Judiciary, independent of all the evil passions that may influence. at intervals, the mass of the community, is certainly desirable, But it does not appear, that a tenure for life will in itself, exempt the occupant of a seat on the bench from the possibility of feeling in a greater or less degree, a sympathy in the passions, that sometimes sway to and fro our popular assemblies. Observation compels us all to contest such a conclusion. A tenure for life is, and ought to be, a popular doctrine in Great Britain. Such a tenure there, may afford a safeguard to the people against the influence of the Crown. The commissions of the Judges being granted by the King, a periodical re-appointment would give to

the sovereign a most dangerous power in the opportunity to dismiss all who were not willing to prostitute their offices to subserve his purposes, however tyrannical and unwarrantable. Here, we have no permanent or hereditary executive to dread. All our public functionaries, but the Judges, return at stated periods, to their separate stations in private life, to give place to successors qualified to rule, by having been taught to obey. It is believed, that there can be found neither in our experience, where the life tenure of Judges prevails, nor in the experience of several of the States of the Union, where all such distrusts of popular intelligence and integrity have disappeared, any good reason for adherence to a doctrine becoming daily more and more obsolete. There was a time when improvements in government were hard to make. Those who were interested in existing abuses, could arrest innovations and changes by magnifying and misrepresenting the effects of a proposed reform. But it is time that such artifices should lose all influence on our deliberations. In the hope that full justice will be done to all the deep interests involved, the whole subject without further remark is submitted to the Senate and House, who are empowered to make such alterations in the fundamental law of the State, as may be required.

Several communications from the internal improvement companies and other sources have been received, and will be laid before you.

In conformity with the request of the Legislature, copies were forwarded of the following resolutions of the last session,—resolutions in relation to the increase of the Navy of the United States; resolutions in relation to the Santa Fe traders; and preamble and resolutions in relation to the District of Columbia.

Agreeably to direction of resolution No. 31, of the last session, orders were given for the manufacture of a sword to be presented to Capt. John A. Webster, as provided for in resolution No. 3, of December session 1835. Although no time was lost in giving the necessary order, the sword has not as yet been prepared. So soon as it is received, it will be presented.

The repairs authorized to be made to tobacco warehouses Nos. 1 and 3, in the city of Baltimore, by resolution No. 28, of last session, have been made. Those made to warehouse No. 1, amount to $1,356.79½, and those to warehouse No. 3, to $478.20.

By the act of 1827, chap. 140, the sum of $3,500 is annually appropriated for the education of the indigent deaf and dumb of this State; and by the act of 1837, chap. 173, the sum of $1000 is annually appropriated for the education of the indigent blind. The act of 1839, chap. 28, provides, that in case there shall be recommended to the Governor by the trustees of the poor of the different counties, more indigent blind children than can be educated under the provisions of the act of 1837, chap. 173, any surplus which may annually remain in the treasury of the sum of $3,500, appropriated for the education of the deaf and dumb, shall be applied to the education of the indigent blind. In pursuance of the provisions of these acts, the sum of $2,068.94, was ex-

pended during the last year for the education of the deaf and dumb, and the sum of $1,610, for the education of the blind; leaving in the treasury of the joint fund, unapplied, the sum of $821.06.

In the month of April 1840, a murder was committed in Frederick county by Frederick Fritz, alias Jacob Brucker, who was at the following April term of Carroll county court, tried, convicted and sentenced to be hung. My immediate predecessor signed the warrant for his execution, but afterwards granted a respite at the request of a number of respectable persons who suggested doubts of his sanity. This was done to give an opportunity of collecting information respecting his previous history, which, it seemed, has not been made a subject of inquiry at his trial. Many depositions and communications were received by my predecessor, stating particulars, which, in his judgment, if truly set forth, were sufficient to shew that Fritz had been subject to fits of insanity for many years, and that he was completely deranged when last seen in the city of Washington, a few days before the commission of the crime. Statements were also received of the opinion of respectable and intelligent citizens of Westminster, who had opportunities of seeing and conversing with the prisoner. Their opinion was, that he was in full possession of his reason, and subject to no disorder of mind, except such as was occasionally produced by a violent and ungovernable temper.

The conflicting character of these statements as to the sanity of the prisoner, determined my predecessor, (after consulting with Judge Brewer, who sat upon his trial, and who thought a further investigation ought to be made as to the condition of his mind,) to suggest to the Legislature, the propriety of authorizing the court of Carroll county, to examine witnesses at its next term on the subject. In conformity with this suggestion, a bill was introduced into the Senate, and passed by that body, but was not acted upon in the House of Delegates, because, it is presumed, of the shortness of the time which remained of the session after it was received in the House. In consideration of these circumstances, it was deemed proper to withhold the warrant for the execution of the prisoner, so as to enable the Legislature to act definitely upon the suggestion of my predecessor, which is now respectfully renewed.

Believing that the affairs of Maryland, at this time, should first command your consideration, allusion has been purposely avoided to many matters of great national importance. In the hope that this course will be equally agreeable to the Senate and House, I beg leave to express the belief, that by wholesome legislation and judicious reforms, the evils under which the State now labours, will at no very distant day, be removed. In the character of our State, of which every Marylander has just cause to be proud; in its agricultural, mineral and commercial resources, the untiring energy and proverbial patriotism of its people, we should all find the hope and consolation, that great as are its present embarrassments, they can, and will be, ere long, surmounted. Invoking then, at this

crisis, the exercise of your highest intelligence in behalf of our State, its affairs are submitted for your legislative disposition.

FRANCIS THOMAS.

[Document B.]

BY THE HOUSE OF DELEGATES,
January 3rd, 1843.

Read and ordered to be printed.

COMMUNICATION

FROM THE

PRESIDENT AND DIRECTORS

OF THE

CHESAPEAKE AND OHIO CANAL COMPANY

TO THE

GOVERNOR OF MARYLAND.

ANNAPOLIS:
GEO. & WM. JOHNSTON, PRINTERS.
.....
1842.

REPORT.

OFFICE OF THE CHESAPEAKE AND OHIO CANAL CO.
Frederick, December 2nd, 1842.

To His Excellency
FRANCIS THOMAS,
Governor of Maryland:

SIR,—In conformity with a usage, which may now be regarded as the established law of the Chesapeake and Ohio Canal company, we communicate to you, to be laid before the two Houses of the General Assembly, such information as may enable them to understand the management of the company for the last twelve months, and its present condition and resources.

In our communication of the 8th January last, we gave a detailed statement of the finished and unfinished portions of the line of the canal, and informed you that, of the entire line, there remained but *eighteen and three-tenths* miles unfinished to complete the canal to Cumberland. We further stated that, from a very laborious and careful survey then recently made, the estimated cost of completing said unfinished portion amounted to one million five hundred and ninety-one thousand, one hundred and thirty-six dollars. Since that survey and estimate, and during the last winter, whilst the measure for aid to the canal was pending before the legislature, several of the contractors, then having unfinished contracts on the line, continued to carry on their work to the end of the session, and there have also—subsequent to that period—been final estimates concluded on other parts of the line where work had been previously done, but not before accurately measured, which reduces the amount necessary for the entire completion of the canal to Cumberland, at this time, to the sum of *one million five hundred and forty-five thousand dollars*, as will be seen by reference to the report of the chief engineer, hereunto appended, (marked A.)

In consequence of the company having received no aid from the last legislature of Maryland, the numerous proposals for taking the unfinished portions of the line of the canal under contract, amounting in various forms to upwards of four thousand, which

in conformity with the published notice of the board of directors inviting them, were predicated upon the condition of receiving such aid, have of course ceased to be binding on the parties, and no action has been, or can now be taken upon them by the company, by reason of the failure of the condition. Many of the bids were within the engineer's estimate, and made by persons of known responsibility and character. But although these proposals may now be regarded as void, there is no doubt, that, if adequate means be provided—the work can still be let under contract at as low, if not cheaper rates than were then offered, as since that time there has been a great decrease in the price of provisions, and the demand for labor has considerably diminished. But until provision be made for the purpose, no further progress can be made in the work, however favorable the circumstances of times may be to its prosecution.

The statement of the clerk, which is hereunto appended, (marked B,) presents a view of the financial condition of the company on the 1st December, 1842. By that statement you will perceive, that the liabilities of the company are now,

On account of scrip outstanding	$491,645 50	
Interest thereon	56,799 80	
		$548,445 30
" bonds of the company	188,855 85	
Interest thereon	11,714 91	
		200,570 76
" acceptances of contractor's drafts	144,490 76	
Interest thereon	15,830 39	
		160,321 15
Balance due to contractors - -		86,264 24
For lands condemned (estimated) -		43,000 00
For amount over drawn in Chesapeake Bank of Baltimore - - - -		4,113 38
Other outstanding claims for repairs, &c. estimated - - - -		70,000 00
		$1,112,714 83
For interest due State of Maryland on $2,000,000 loan - - - - -		405,000 00
Total liabilities of the company on 1st December, 1842 - - - -		$1,517,714 83

Of the items set down to the credit side of the company in the statement referred to (marked B,) which constitute the outstanding means of the company, but little need be said. The great depression of Maryland bonds in the market renders our present claim on the Messrs. Baring, Brothers and Company, a question of calculation, which may not be made under existing circumstances, and the balance stated to be due from Messrs. Swan,

Gittings and Gunton as trustees, is a subject for legal adjudication, and to be ascertained by the result of a suit in Chancery, which is now pending against them to compel a settlement of the trust. The item charged to the commissioners appoined by the Executive of Maryland to sell sterling bonds amounting to eight thousand dollars, is for so much money advanced to Chief Justice Buchanan, and the late General Thomas Emory, at the time they went to Europe to negotiate the sale of the bonds issued by the State of Maryland, for the several internal improvement companies under the act of 1835, chapter 395, better known as the eight million law.

As this advance was made to render effectual an appointment by the then incumbent Governor of Maryland, pursuant to a law of the state, it is properly chargeable to the state; and we would therefore beg leave to suggest the propriety of the legislature's allowing the company to credit that amount and the interest due thereon, upon the interest due from the company to the state on its loan of $2,000,000, in order that it may be omitted in the future statements of the company.

The other items contained in the credit side need no comment. Assuming however that all the credits as contained and estimated, in the statement referred to, can be made available to the amounts set down, which is more than can be reasonably expected, and the clear indebtedness of the company over and above its means and charges, amounts to the sum of $1,291,677 70.* And this debt is regularly increasing by the accumulation of interest, and must continue to increase until the canal is put in a condition to arrest it.

The company is now much harrassed with law suits instituted for the collection of debts due, and being wholly unable to meet its liabilities, must anticipate a continuance of these costly vexations and unavailing proceedings, unless some stop be put to them by legislative action. Under these circumstances it becomes a matter of some moment to the State of Maryland to look to its rights under its mortgages, and to guard against any infraction of them by these suitors in the federal and state courts; and it seems also to be required by the existing condition of the company, for the state to determine whether it contemplates at any period the enforcement of its liens, and the foreclosure of its mortgages. If such a design be entertained we cannot perceive a more favorable time than the present to bring the question to issue. It would then be for the state after such foreclosure, in the event of success, to deal with the other stockholders, and the creditors of the com-

*Note.—To this sum must also be added the amount due to the state of Maryland for *interest* on its subscription to the stock of the company, with the cost of its transmission to London, and the difference of exchange, pursuant to the provisions of the acts of 1838, chapters 386 and 396. This claim is usually embraced in the annual report of the State Treasurer, and to that document we must refer for the amount, as there are no sufficient data in the office of the company from which it can be ascertained.

pany, in such manner as it might deem just and proper under all the circumstances of the case, and the company would be relieved from the expense, and cares of such further litigation.

The general abstract of the Treasurer, hereunto annexed (marked C,) will show the receipts and expenditures of the company from its organization to the present time.

The system of retrenching the current expenses of the company which the board of directors had adopted and pursued in the preceding year, was still further prosecuted during the last. By reference to the clerk's statements, (marked D and E,) it will be perceived that the entire compensation per annum, of the officers, and salaried agents in the service of the company on the 30th November, 1842, amounts in the aggregate to the sum of $18,327. The compensation of officers in the service of the company, on the 1st January last, up to which time our last annual statement was made, amounted to $30,194 50, thus showing a reduction, at this time, to the amount of $11,867 50. The number of officers now in the service of the company is reduced as low as it can be, consistently with the requirements of the charter and by-laws, and the indispensable wants of the company; and the salaries are made to correspond with the pressure of the times, and the pecuniary exigencies of the company. And as all supernumerary officers have been discharged, so also have all contracts been declared abandoned since the adjournment of the last legislature. There is not now along the whole line of the canal a single contract for construction in force or operation. The board have studiously abstained from incurring any new debts, wherever it could be avoided.

In the report of the chief engineer (marked A,) to which we have before alluded, a detailed statement is given of the present condition of the canal from Dam No. 6 to Georgetown, and the arrearages due to superintendents for work heretofore done in amending breaches, &c. and to that report we therefore respectfully refer for particular information on these points. It would be very desirable that—in an appropriation for completing the unfinished part of the canal—a sum sufficient to pay off the debts—thus contracted and now outstanding and due, should also be added, as they are a class of debts of a preferred character, and the liquidation of them would tend much to the present credit and more efficient operations of the company. The amount required for this purpose is about forty thousand dollars; and when those debts are discharged we think the annual revenues of the company will be sufficient hereafter to meet all future demands of this kind, as well as the regular current expenses of the company.

During the last twelve months, ending on the 1st December, 1842, the tolls derived from the canal amount to the sum of $54,000. This presents an increase over the preceding year of only $1,500, and consequently falls short of the anticipation of the board. We apprehend, however, that the amount received would have been much larger, had not the great depression in the prices

of all kinds of produce and grain during the summer and fall, prevented the farmer and manufacturer from conveying their products to market. They have, in a majority of cases, held back for better prices, and the spring trade will doubtless reap the advantage of the heavy harvests of last summer, which are in a great measure still garnered up for future speculation. There were also, considerable breaches in the canal, produced by the violent rains and freshets of July and August last, which interrupted the navigation for nearly a month during a period of great activity in the flour markets. This also contributed to lesson the amount of tolls that would otherwise have accrued. On the 14th of April the board of directors passed an order, to take effect on the 1st of May, requiring two-thirds of the tolls to be paid in current funds—before that time one half only was required in current money. This latter regulation is still in force, and the revenues thereby derived, together with the receipts from rents of lands and water-rights, now form the only means of support and subsistence to the company.

The whole amount of scrip outstanding on the 1st December, 1841, was $521,339 25, showing that the company have redeemed during the last twelve months, the sum of $29,693 75, all of which has been destroyed and burnt. This amount has been received principally in payment of those portions of the tolls which have not been required in current funds as before mentioned.—To this may also be added the scrip for the lots and warehouses sold in Georgetown, of which we will presently speak, amounting to the sum of $8,790, which is now due and will be received in the course of a few days. This will make the aggregate of scrip redeemed in the last year, amount to the sum of $38,483 75, and the whole amount outstanding will then be $482,855 50.

Under the sanction of a resolution of the stockholders, adopted in pursuance of a suggestion contained in the report of the President and directors on the 6th of June last, the company, after giving due notice by advertisement, sold at public auction on the premises, on the 6th of August, several lots and warehouses in Georgetown, which were not needed for the purposes of the canal, and which were consequently unprofitable in the hands of the company. The sales were made on a short credit, and produced the gross amount of $8,790 in the scrip of the company, by the election of the purchasers, according to the published terms. As all these lots and premises are covered by the several mortgages which have been executed by the company to the State of Maryland, which contain a provision that "the proceeds of the sales or leases of the whole of the property, hitherto or hereafter to be acquired by the company, as the same shall be, from time to time, sold or leased, shall be paid to the Treasurer of Maryland," to constitute a sinking fund for the liquidation of the principal of the debt thereby secured, some doubts have been suggested as to the validity of a conveyance from the company under such sales, and its binding effect against the State, in as much as the purchaser

is bound to see to the proper application of the purchase money, and the taking of scrip would render a compliance with the terms of the mortgages impracticable. It was mainly to obviate any difficulty on this point, that the board of directors, before they proceeded to sell the small parcels mentioned, sought and obtained the sanction of the agents representing the State in the company, as to the course they were about to pursue, and they also felt assured that whatever right the State might possess in technical law, to set aside their acts in that behalf, the sales as made, would command its approval, and receive its confirmation if necessary. The purchasers at the sale have not insisted on the objection alluded to, but are willing to comply with the terms and accept the deeds of the company. As there was no reason, however, for an immediate sale of the residue of the surplus property along the line of the canal, the board deemed it advisable to postpone all further sales until the subject could be brought to the consideration of the Legislature, as the mere suggestion of a doubt in regard to the binding effect of the sales—whether with or without foundation—would materially affect the prices, until the same be removed. There are still many parcels of land, which are not, and never can be, required for the use sof the canal or its works, scattered along the line, which, it is believed, may now be profitably disposed of for scrip or the bonds of the company. If, upon a consideration of the subject, the legislature should concur in the views of the board of directors and the stockholders of the company, and be opinion that such property should be sold for scrip or other evidences of debt due from the company, we would respectfully suggest the expediency of the passage of a law or joint resolution, giving the necessary authority, and also ratifying and confirming the sales and conveyances which have already been made.

In the month of February last, upon the application of Mr. William Easby, an enterprising ship builder of the city of Washington, permission was granted to him to make the experiment of running a steam passenger boat, of his own invention, upon the canal. The boat was accordingly constructed and placed upon the canal in July last, for the transportation of passengers; but after a trial of a few weeks, it failed to answer the expectations of its owner and inventor, and it was therefore withdrawn and the project abandoned. Whether at any period the canal will be found to offer sufficient inducements for passenger transportation, running as it does through the same region of country, and for a large portion of its distance parallel with the Baltimore and Ohio Rail Road, hardly admits of a question. All observation indicates the contrary, and demonstrates that whilst rail roads, other things being equal, must monopolize the passenger travel in consequence of the superior speed, the greater cheapness of canal navigation, and the fact of its being a common highway, will always command for it a preference in the transportation of heavy burthens. It was for freight of this character, that the canal was

originally designed; and it was to the tolls derivable from this source, when completed, that its projectors looked for the realization of those hopes, which have stimulated the enterprise of its friends to press it onward to the coal regions of Allegany.

In this respect we cannot recognise the rail road as even a rival, after the canal shall have been brought to its proper terminus. On this point there cannot, we think, be any permanent and fair competition between them.

But if indeed, as we have seen elsewhere intimated, there be a conflict of interest and rivalry, and the completion of the one be calculated to intrench upon the business of the other, the frequent inquiry suggests itself, in which enterprise is the State, at large, most interested? To the success of which does she most earnestly look for relief to her people? Where are her treasures placed?

By the untiring enterprise and liberal aid of the city of Baltimore, her favorite work, the Baltimore and Ohio Rail Road, has been completed to Cumberland. In the success of that great kindred enterprise we rejoice, but will no aid be given to the canal to extend it also to Cumberland? We ask the question of the Legislature of Maryland, for the work is now in a great measure their's. We appeal neither to local prejudices, nor invoke local interests. The State's welfare and the general good of the whole people of Maryland loudly and imperiously demand the completion of the canal to its destined terminus in Allegany county, and there can be no excuse for leaving the work in its unfinished and unprofitable condition, short of an absolute inability to provide the means for its completion. We therefore again most respectfully, but earnestly, invite the attention of the members of both Houses to the subject, and once more invoke their aid to the canal in such form as to them may seem best.

By order of the Board, M. C. SPRIGG,
President Ches. & Ohio Canal Co.

(A.)

CANAL OFFICE,
Frederick, Dec. 1st, 1842.

To the President and Directors
Of the Chesapeake and Ohio Canal Company:

Gentlemen,—To arrive at the amount now required to complete the Canal to Cumberland, it is necessary to deduct from the estimate submitted to the board in December 1841, the work done from that time to the close of the session of the last Legislature, when operations were entirely suspended,—and also such other work previously done as may have been included in the cost of completion from not having been finally estimated to the contractors, at the time that estimate was prepared. Making these de-

ductions, the sum of $1,545,000 remains as the amount now required for completion. This amount, it should be recollected, contemplates certain modifications of plan, which have been advised, (see my report of December 1841,) and is exclusive of interest, back debts, and the cost of superintendence.

Provisions are at present unusually low, labor is very abundant; and the Baltimore and Ohio Rail Road, recently completed to Cumberland, running as it does along the opposite side of the Potomac from the Canal, affords facilities for completing the work not heretofore enjoyed—as it will enable the contractors to obtain all their supplies, at cheaper rates than they could otherwise, and, wil lessen the cost of some of the masonry to be constructed, by diminishing the expense of the transportation of materials. Nevertheless, I have not deemed it prudent to make any reduction in the estimate, *in the aggregate*, on account of these advantages. Indeed, were it not for them, the estimate would necessarily have had to be increased, to make good the losses consequent on a total suspension of operations.

There is so little at present doing on public works in this country, that the Canal might easily be completed in two seasons. Numbers of efficient and responsible contractors are out of employment, and many of them are anxiously looking for a resumption of the Canal operations. And, as the board is aware, there are now in this office numerous offers from able and energetic contractors, to undertake the completion of the Canal at sums within the estimate,—and who would not desire a longer time for it than that named.

The board, by its order of September 13th 1842, extended my duties so as to embrace a general superintendence of the *finished* Canal. A few remarks therefore, in reference to that portion of the line may not be out of place. For several years, the superintendents of repairs, for want of means, have been unable to do all that was necessary to keeping the *finished* Canal in a good and improving condition; and, in consequence, a greater expenditure than would otherwise have been necessary, is now required to put the Canal in proper order, and keep the navigation uninterrupted. Norwithstanding its present condition however, an expenditure, comparatively not large, would put the Canal in such order that its annual repairs, ordinary and extraordinary, and to the extent called for by sound economy, would not thereafter exceed those of the least expensive public improvements of a similar character in this country. I have no doubt they would fall considerably short. In support of this belief I may state, that the 27½ miles of Canal last finished, between Dams No. 5 & 6, into which the water was for the first time admitted in the Spring of 1839, has not since then had its navigation suspended a single day by a breach; and as the same care was given to the construction of the fifty miles of unfinished line, (so far as the work is done,) as was to that of the 27½ miles, there is certainly good ground for the conclusion, that the upper 77½ miles of the Canal when completed to Cumberland,

will cost very little for repairs. These remarks in reference to the upper portion of the line, seem to me not altogether uncalled for in another view, than that for which they were introduced. It has been complained of, that unnecessary expense has been gone to in the construction of the work above Dam No. 5. I have always contended, that time would prove the contrary. The fact stated in reference to the 27½ miles of Canal above Dam No. 5, viz: that its navigation has been free from interruption, from breaches ever since its completion—taken in connection with the numerous interruptions during the same period, on other and older portions of the Canal, is some evidence I think of the correctness of the course heretofore advocated by me.

As already intimated, there is much work which ought to be done below Dam No. 5, to put the Canal in good order for navigation; and, what is equally important, to protect it against extraordinary damages, such for instance, as were sustained on the night of the 24th of August last. At that time from a rain as heavy and violent as has been known there for many years, the lower portion of the Canal was damaged to the amount of $10,000. A previous expenditure of $5,000 would have prevented not only nine-tenths of that damage, but the recurrence also, of similar injury to the Canal at the same points, at any future time. Whereas now, fully three-fifths of the precautionary work will be required in addition to the $10,000. That this previous expenditure was not made, is to be attributed to the superintendents of repairs, not having the means wherewith to do the requisite work. These superintendents are now, and for a long time have been, nearly $40,000 in debt; and are receiving from the company less than will meet their necessary current expenses for ordinary repairs, and the pay of lock-keepers.

With so large a debt hanging over them, and that on the increase, the superintendents labor under the further disadvantage of not being able to carry on the repairs at cash prices.

Under these circumstances I cannot forbear urging on the board not to lose sight of the repairs on the finished portion of the Canal, when seeking aid for the completion of the entire line to Cumberland. If an amount should be set apart, when providing for this completion, sufficient to pay off the existing debts of the superintendents, the repairs could thereafter be carried on at less cost, inasmuch as, 1st—Those of an extraordinary character like those alluded to of August last, could then be in a great measure guarded against; and 2nd—The work would be done at cash prices.

With the debt due by the superintendents of repairs paid off, the tolls, if received altogether in current money, would be ample to keep the Canal in good order, and the navigation uninterrupted, and would have a surplus for other purposes. That the tolls have not done this for two years past, is to be attributed mainly to scrip having been received in part payment of them.

Respectfully submitted,

CHARLES B. FISK, *Chief Engineer.*

(B)

Dr. *General Statement of the Debts and Credits of the Chesapeake and Ohio Canal Co., 1st December, 1842.*

To Promissory Notes issued by this Co. viz. Post Notes, 1834, at 4 per cent.,	$255 00		
Interest thereon,	22 20		
		277 20	
Notes re-issuable under $5,		5,845 50	
Five Dollars and upwards,		1,260 00	
Post Notes, 1837, at 6 per cent.,	445 00		
On which interest may be demanded,	133 50		
		578 50	
1839 at 6 per cent.,	5,970 00		
On which interest may be demanded,	1,075 35		
		7,045 35	
1840 at 6 per cent.,	477,870 00		
On which interest may be demanded,	55,568 75		
		533,438 75	
To Bonds issued in payment of Post Notes,	5,150 00		548,445 30
Interest already accrued,	555 50		
		5,705 50	
In payment of creditors,	183,705 85		
Interest already accrued,	11,159 41		
		194,865 26	

To acceptances of the Drafts of Contractors and others, - -	144,490 76		
Interest already accrued, - - - - - -	15,830 39		
		160,321 15	
			360,891 91
To Balances due to Contractors, - - - - - - - -		86,264 24	
For Land Rights, (estimated,) - - - - - - -		43,000 00	
Other outstanding Claims, (do.) - - - - - -		70,000 00	
			199,264 24
To the State of Maryland for interest on the Loan of $2,000,000, - - - - - -			405,000 00
To the Chesapeake Bank of Baltimore, overdrawn, - - - - - - -			4,113 38
			$1,517,714 83

Office of the Chesapeake and Ohio Canal Company,
FREDERICK CITY, Dec. 1, 1842.

THOMAS TURNER,
Clerk Chesapeake and Ohio Canal Co.

General Statement of the Debts and Credits of the Chesapeake and Ohio Canal Company, 1st December, 1842. CR.

By Maryland 5 per cent. sterling bonds in the hands of Baring and Co., £133,000, which estimated at 72 per cent.,			£95,760 00 0	
Deduct balance of their account to 1st January, 1841,		£76,333 17 0		
And interest thereon to this date,		3,498 12 8		
		79,832 9 8		
Less Coupons, due 1st July, 1842,	£3325 00 00			
And of those due 1st January, 1843, so much as has accrued to this date,	2770 16 8			
		6,095 16 8		
			73,736 13 0	
Balance at $4 4-9 per £ Sterling,			£22,023 7 0	$97,881 55
By Swan, Gittings and Gunton, trustees, due from them,			$56,192 62	
Interest thereon, 1⅛ years,			5,057 33	
				61,249 95
By State of Maryland, for advances to her Commissioners, appointed to negociate the Loan of 8 millions in Europe,			8,000 00	
Interest thereon 5½ years,			3,240 00	
				11,240 00
By Subscribers to Capital Stock, due from them,			146,500 25	

Deduct, presumed to be uncollectable,	100,000 00	
By Tolls and Water rents, intransitu, (estimated,)		46,500 25
By balance in Treasury,		5,000 00
By Maryland 5 per cent. sterling Bonds, not yet delivered to the Company by the Commissioner of Loans, £475 sterling, at 75 per cent., £356 5 0, which at $4 4-9 per £ sterling,	$1,583 33	2,318 15
Coupons on the same, 3¼ years at 5 per cent.,	263 89	
		1,847 22
Balance deficient,		226,037 12
		1,291,677 71
		$1,517,714 83

Office Chesapeake and Ohio Canal Co., Frederick City, 1st Dec. 1842.

THOMAS TURNER, CLERK, CHES. & O. C. Co.

(C)

General Abstract of the Receipts and Expenditures by the Treasurer

The receipts have been placed to the credit of the following accounts, viz:—

Capital stock	$8,212,673 41
State of Maryland	2,000,000 00
Profit and loss	200,952 93
Baltimore & O. R. R. Co	268,723 02
Acquisition of land	1,769 76
Construction of the Canal	9,748 29
Engineer department	2,600 24
Interest	226,819 66
Law expenses	2,293 55
Potomac Company, General Account	418 52
Unclaimed dividends	366 30
Tolls account	26,017 20
Tolls	365,498 53
Water rents	5,080 76
Pay of officers	250 00
Baring, Brothers & Co.	416,120 99
Exchange,	195,931 53
Bonds, in exchange for post notes	5,150 00
Thomas Fillebrown, Jr.	8,890 33
William Matthews	2,587 05

	TOTAL ISSUE.	REDEEMED.	OUT.	
Notes re-issuable under $5,	$98,000 00	$92,154 50	$5,845 50	6,641 75
$5 and upwards,	80,000 00	78,740 00	1,260 00	1,275 00
Post Notes, 1837,	240,000 00	239,555 00	445 00	445 00
1839,	300,000 00	294,030 00	5,970 00	6,075 00
1840,	585,805 42	107,935 42	477,870 00	500,055 42
				12,466,438 24

(C)

of the Chesapeake and Ohio Canal Company, to 30th November.

The expenditures have been charged to the following accounts, viz:—		
Contingent expenses		$65,122 05
Do. of Com'er C. & O. C.		970 54
Profit and loss		1,117,566 12
Western section		6,686 57
Acquisition of land		400,928 57
Construction of the Canal		8,788,504 52
Engineer department		329,967 40
Interest		762,664 14
Law expenses		25,166 79
Potomac Company, general account,		373 65
Unclaimed dividends		149 85
Tolls account		22,643 65
Tolls		2,154 40
Pay of lock-keepers		38,336 83
Pay of officers		118,787 22
Baring, Brothers & Co.		84,458 92
Swan, Gittings & Gunton, "trustees"		56,192 62
Damages recovered of the Company, for suppressing riots on the line of the Canal		2,337 22
Thomas Fillebrown, Jr.		8,901 40
William Matthews		2,587 05
Incidental damages		34 40
Postages		2,028 23
Printing and Stationery		15,356 88
Notes re-issuable under $5		796 25
$5 and upwards		15 00
Post notes 1837		
1839		105 00
1840		22,185 42
Balances to the credit of Ches. & Ohio Canal Co. Md. 5 p. ct. st'g bonds,	$593,222 23	11,875,020 69
Treasurer's hands,	124 16	
Far. & Mechanics' Bank, Georgetown,	1,071 23	
Do. Frederick County	22 54	
Bank of Potomac,	48 31	
Washington Co. Bank, Williamsport,	988 46	
	595,476 93	
Ded'ct overdr'wn in Ches. B'k in Balt.,	4,113 38	
		591,363 55
E. E.		12,466,384 24

Treasurer's office, Chesapeake and Ohio Canal Co.,
FREDERICK CITY, 1ST DEC. 1842.

ROBERT BARNARD, *Treasurer.*

(D)

STATEMENT

Exhibiting the compensation per annum to the President, Directors, Clerk, Treasurer, Chief Engineer, and other officers in the service of the Chesapeake and Ohio Canal Company, on the 30th of November 1842.

Michael C. Sprigg, - - - -	$1,000	
Six Directors at $4 per day, while actually in service, as per last 2 years, about	1,000	
Thomas Turner, clerk, - - -	1,500	
Robert Barnard, - - - -	1,200	
		$4,700 00
Charles B. Fisk, Chief Engineer, - - -		2,000 00
Three superintendents, each $800, - -		2,400 00
Five collectors of tolls, - - - -		1,750 00
Thirty-nine lock-keepers, - - - -		7,477 00
Total, - - - -		$18,327 00

Office of the Chesapeake and Ohio Canal Company,
FREDERICK CITY, MD. Nov. 30, 1842.

THOMAS TURNER,
Clerk Chesapeake & Ohio Canal Company.

(E)

STATEMENT

Exhibiting the compensation per annum of the officers in the service of the Chesapeake and Ohio Canal Company, on the 1st day of January 1842, (*as per statement accompanying the communication of the President of this Company, to his Excellency the Governor of Maryland of that date,*) *and of the same on the 30th day of November* 1842, *and the difference at those respective dates.*

1st.—On the 1st of January 1842.		
To the President, Directors and Clerks,	$5,500 00	
Engineers, Rodmen, &c., - -	12,717 50	
Superintendents, lock-keepers and collectors, - - - - - -	11,977 00	
Total, - - - - -		$30,194 50
2nd.—On the 30th day of November 1842.		
To the President, Directors and Clerk,	$4,700 00	
Chief Engineer, - - - -	2,000 00	
Superintendents, collectors and lock-keepers, - - -	11,627 00	
Total, - - - - -		$18,327 00
Showing a reduction on the 30th November 1842, of - - - - - - - -		$11,867 50

Office of the Chesapeake and Ohio Canal Company,
FREDERICK CITY, MD. Nov. 30, 1842.

THOMAS TURNER,
Clerk Chesapeake and Ohio Canal Company.

[Document C.]

BY THE HOUSE OF DELEGATES,
January 3rd, 1842.

Read and ordered to be printed.

REPORT

OF THE

SUSQUEHANNA AND TIDE WATER CANAL CO.

TO THE

GOVERNOR OF MARYLAND,

DECEMBER, 1842.

REPORT.

To His Excellency

FRANCIS THOMAS,

Governor of Maryland.

By order of the respective boards of managers of the Susquehanna and Tide Water Canal Companies, I am instructed to make the following report in answer to the several inquiries contained in an order which is reported to have passed the House of Delegates on the 1st of March last, but of which we have as yet no official information.

1st. The annexed statement will show a full and correct exhibit of the condition of the said companies, which we give in conformity to the order in a joint form.

2d. In answer to the inquiries "whether assignments had been made, and if so to whom, and on what conditions, and whether the interest of the state has been secured?" We annex copies of the deeds executed in trust, one by the Tide Water Canal Company and the other by the Susquehanna Canal Company, which disclose the whole of the transactions to which we suppose the inquiries to refer. As to the inquiry "when the state interest will be paid?" This must depend on the revenues derived from the canal—all other resources are cut off—but the disposition of the company is to have it paid as soon as possible: We beg leave to add as a reply to the requisition of "such other information as may be necessary to a full understanding of the actual situation of the companies" a statement prepared on the 23d day of December last, modified to conform to the present state of the accounts. This statement was left in Baltimore at the time for publication, but requiring some correction in the figures, which it seems was not attended to, through mere inadvertence, has been delayed:

REPORT.

At a meeting of the Susquehanna Canal Company on the 23d day of December, 1841, at Baltimore, and also of the Tide Water Canal Company at the same time and place, the situation of the respective companies as regards their finances and the claims of their several creditors having been duly considered, it was resolved to execute deeds of trust for their security, and to secure an equitable apportionment of the net revenues of the canals among the creditors, giving preference to the interest due to the state of Maryland, and to those individuals who had raised money at periods

when it was indispensable to the progress and security of the work, and without any other consideration than its advancement and the benefit of the general creditors and stockholders.

Deeds of trust were accordingly ordered to be executed, and have been executed, embracing the foregoing provisions, and containing a further provision authorising the creditors of the company to exchange and convert the evidences of debt which they now hold against the company into bonds, payable January 1, 1847, to include the interest due at the time of conversion, and requiring the conversion to be made within one year from the date of the instruments. The instruments further provide, that after paying the interest to the State of Maryland and the preferred debts, that the surplus of revenues shall be paid to the general creditors, in proportion to the amount of their respective claims, including the claims which shall be converted into bonds as above described. It further reserves to the company the right to fund the debts due by them, or to raise by way of mortgage or otherwise a permanent loan for their payment.

The proposition to convert into bonds as above mentioned, it will be observed, embraces every description of debt or claim now existing, including the small notes heretofore received for tolls on the Tide Water Canal—the state of the companies finances rendering it imperative and due to the general creditors that the revenues of the company works should hereafter be paid in current funds.

The board deem it proper respectfully to submit to the creditors such explanatory remarks as will more clearly set forth their views in adopting the course of action announced in the foregoing proceedings. At a former meeting of the companies a committee was appointed to report upon the amount of their existing liabilities; to consider of the exigency of their pecuniary affairs; and to recommend such plan of relief as would, in their judgment, most effectually subserve the interests of the creditors, and at the same time, comport with the actual condition of said companies. The report of this committee subsequently made, sets forth the facts,—that the companies had been unable to pay the interest due on on the first of July last on the loan of the State of Maryland; and that they had also been unable to pay other liabilities which fell due about the same period, or which have since matured. The proceedings stated above were the result of the deliberations of the board on the subject of this report, and they have been adopted by the board, under the belief that the plan of action which they embrace will insure to the State of Maryland *protection* from future disappointment in the receipt of her interest to other creditors, *sufficient security* for the eventual payment of their claims: and to the stockholders, in the establishment of the credit of the company, and in the development of the trade of the canals, a reasonable hope of an adequate return at no very distant period, for the capital expended in the construction of the work. The liabilities of the companies consist, first, of the bonds of the State

of Maryland to the amount of one million of dollars, loaned to these companies by the act of 1838, chapter 416, and not payable until the year 1864. All that the State requires in the meantime, is the punctual payment of the interest, at five per centum, with the addition of the difference of exchange of currency between Baltimore and London, where the interest is payable. It was with deep regret and mortification that the board found themselves constrained to yield to the necessity of permitting the interest to remain unpaid, which has become due. From various causes the receipts from tolls have hitherto been very far short of the anticipated revenue—the entire tolls up to the 1st of August last having been paid in the small notes of the Tide Water Canal Company—and the actual cost of the work not only exceeded the highest estimates, but numerous unforseen expenditures along the canal have been unavoidably incurred—and which have more than absorbed all the available receipts from tolls—breach after breach occurred in its banks—and these it was necessary to repair at whatever expense and without delay—and these and other disasters had the further injurious effect of interfering essentially with the business of the canal to the diminution of its trade and the consequent reduction of its revenues. The canal however is now complete and in perfect order: and the trade for the last two months has greatly increased. It is confidently hoped that the business of the next year will be more than double the receipts of this year: and that in its returns substantial evidence will be furnished of the future profits of the work.

Secondly. The other liabilities of the companies, embracing bonds, post notes, bills payable, Tide Water Canal Company notes, &c. and including the sum of $217,000 in the company's notes, which are endorsed by individuals who have been specially secured against loss—amount to $1,452,137 52. Besides these there are various claims for damage in Maryland and in Pennsylvania, which are yet unsettled, the amounts of which have not been finally ascertained, and some of which are still in litigation. The extent of the liabilities being thus shewn, the board proceed to show the resources for their payment.

The companies are without present funds, and their only resource is, of course, in the tolls of the canal, and in the credit to which they may be deemed entitled as owners of a work yielding a certain annual income. If it were already certainly established by actual results, that the annual revenue from tolls will be fully adequate to pay the annual interest to the State, the annual interest on the other debts and all the expenses connected with the management of the canal, the debts would be deemed by all to be abundantly secure; and although the actual payment of these debts may thereby be deferred, any arrangement must be deemed desirable, which will produce these results. The president and directors fully believe that in a very few years the annual revenue from tolls will be more than sufficient to insure these results. The tolls for the first year were very limited in amount, and did

much exceed the sum of $40,000. The tolls of the present year have exceeded those of the last about $30,000. But, as has already been remarked, the navigation hitherto has been frequently interrupted by breaches in the banks of the canal, and persons have naturally preferred to continue their former channels of communication, until the banks should be found to have become consolidated and entirely secured. Other potent causes—the general depression of trade and the consequent limited supplies, as yet, from the coal and iron regions of the Susquehanna valley, and the unfinished condition of some of the connecting links between the coal regions and the lines of canal navigation, have concurred with other things, to affect, most sensibly, the revenues from tolls. But now that the canal is known to be in perfect order, it is believed that the business of the next season will commence under auspicies far more favorably; and that in the course of a few years the tolls will have so far increased as to yield a steady annual revenue at least three or four times as great as the receipts of the present year. In this opinion, the president and directors are sustained by the opinions of enlightened individuals, having no connexion with either company, who are familiar with the statistics of the region of the Susquehanna valley and the surrounding country, and who are competent to judge of the supplies to be thence furnished to the sea board, and particularly to the cities of Baltimore and Philadelphia, and the return supplies from those cities to the interior country; and if these calculations be not fallacious, the companies will not only be able to pay the interest to the State, the interest on all their other debts and the necessary annual expenses of the canal, but to make beside, gradual impression on the principal of their debt, and in the lapse of a few years, to convert it into a permanent loan or extinguish it altogether. And although the stockholders in the meantime may not receive dividends, yet after the debt shall have been converted or extinguished, their stock will possess intrinsic value, unsurpassed by the stock of any other work of internal improvement of the same extent in the whole land. But creditors and the public have the same means as the board of forming a just judgment upon the matter, and they are respectfully asked to look at the canal itself, its capacity, its connexion, to consider its locality, its terminus, at one end the broad Chesapeake, and at the other the far interior of Pennsylvania, penetrated in all directions by the thousand avenues of trade—they are requested to examine into the statistics of that fertile region—fertile in its agricultural products and rich in its mineral resources—and then to judge for themselves and not to rest on the conclusions or on the judgment of others.

The proceeding adopted by the companies, it will be seen, has for its object a just distribution of the proceeds and revenues of the property of the company among its creditors, and the security of the creditor in the receipt of his debt at as early a day as practicable, either through the resources of the work itself, or as soon as its value shall be developed, by funding the debts or obtaining

a loan of permanent character on the security of the work for their extinguishment. The latter, the board are of opinion, may be practicable at no very distant day. The revival of trade, a better currency, and the restoration of general confidence, cannot be very remote, and these are all that is wanted to give direction to the attention of the capitalist to the works in question. Low as the stock of the company may now be, it is destined to a higher value, and that before long; and depreciated as its credit is, in common with that of almost every existing corporation, it cannot long continue depressed.

But be this as it may, the companies in the arrangement stated, have given their creditors a specific lien on their entire works for their security, and have provided for their payment equitably, and as far as is consistent with the strictest justice, equally, and as soon as practicable; and they trust the course pursued will be approved by all who are interested in the results.

The holder of any evidences of debt of either company, can convert them into bonds, bearing interest and payable 1st January, 1847, at the office of the company in Philadelphia, or if deposited with any bank, in Maryland or Pennsylvania, and an account and description of them forwarded to the office by the cashier—bond will be returned, in conformity to instructions, of corresponding amounts.

In submitting the proceeding, we beg leave further to add, that the order referred to is the first intimation ever given of which we have any knowledge, that the State was desirous of any information on the subject of the financial or other condition of the companies. The charter is silent in this particular, requiring no periodical statement, as is done in some cases. We, however, recognise the right of the State, as the principal creditor, to full knowledge on the subject, and it will give us pleasure to comply with any intimation of such desire at any time, and any coercive process to compel it will be wholly unnecessary.

By order of the Board,

JAMES HEPBURN, *President.*

Philadelphia, April 15th, 1842.

Dr. *General Statement of Accounts, Susquehanna*

Cost of construction.—This account embraces all payments made to Jan. 1, 1842, for constructing, repairing and conducting the Company's works. It being credited with the tolls received, - - -	$3,192,734 34	
Conestoga Connection.—Cost of erecting dam, outlet lock, purchase of tow-boat, &c. forming the connection with the works of the Conestoga Navigation Company, - -	164,877 18	
Real Estate, - - -	28,719 99	
Damages, including Counsel fees,	50,129 63	
Canal boat, ("Harrisburg,") -	1,941 64	
		$3,438,402 74
Maryland Susquehanna Canal purchase, - - -		120,400 00
Office Expenses, and pay of officers, agents, collectors, &c. 1842, - - - -	1,593 00	
Repairs, pay of lock-keepers, &c.	1,891 49	
		3,484 49
Due on contract for advances on Maryland sterling bonds, -	100,000 00	
Stocks and sundry balances due the Company, - -	140,635 29	
		140,635 29
		$3,702,922 52

Capital Stock, paid in, -		$1,250,785 00
Bonds issued,—1841, -	$80,000 00	
1842, -	142,231 97	
1844, -	323,500 00	
1846, -	64,257 25	
1847, -	33,757 76	
		643,746 98
Loan from the State of Maryland, - - - -		1,000,000 00
Scrip, issued May 1, 1840, at twelve months, - -	14,457 20	
January 1, 1841, at six and twelve months,	42,802 00	
		57,259 20
Bills Payable, - - -		311,028 88
Small Notes, ($1, 2, 3, 5,) -		134,284 00
Post Notes, ($50, and 100,) -	256,400 00	
Do. do. (written,) Jan. 1, 1842, at two years, -	18,857 39	
		275,257 39
Due Bills, issued Jan. 1, 1841, redeemable from tolls, -		20,000 00
Sundry balances due by the Company, - -		10,561 07
		$3,702,922 52

Susquehanna Canal Office,

Philadelphia, March 31, 1842.

[COPY.]

MORTGAGE.

SUSQUEHANNA CANAL COMPANY, TO JAMES HEPBURN AND OTHERS, TRUSTEES.

This indenture made this twenty-third day of December in the year eighteen hundred and forty-one, between the Susquehanna Canal Company, incorporated by the State of Pennsylvania of the first part, and James Hepburn, J. M. Haldeman, Simon Cameron, G. W. Aspinwall and John C. Boyd, of said State, and Joseph Todhunter, Wm. G. Harrison and Hugh Boyle, of the city of Baltimore, in the State of Maryland, of the second part. Whereas the Susquehanna Canal Company aforesaid, owes a large amount of debts, and is properly responsible for a considerable portion of the debts due by the Tide Water Canal Company, and to secure the payment thereof and to provide an equitable application of its effects and property among its creditors, according to its just preferences, these presents are executed. Now this indenture witnesseth, that the Susquehanna Canal Company aforesaid, in consideration of the premises, and for the further consideration of five dollars to it, paid by the parties of the second part the receipt of which is acknowledged, hath granted, bargained, sold and assigned, and by these presents doth grant, bargain, sell and assign unto the said party of the second part, and their heirs as joint tenants and not as tenants in common (the intent being that if any such grantees die the right of such deceased grantee shall pass to the survivors or survivor, as in cases of joint tenancy at common law,) all the lands, tenements, property, goods, chattels and credits of the said party of the first part and also the canal of the paid party of the first part and all the locks, bridges, houses and works appurtenant to said canal, or necessary for its use and enjoyment, and also all the tolls, revenues, rents, profits and emoluments arising from said canal, or any of the property or works thereto appertaining, or to the said company in any way belonging, which canal, property and effects aforesaid are situate part in York and part in Lancaster county, in the State of Pennsylvania. To have and to hold the said lands, canals, locks, goods, chattels, property and effects, and all the tolls, revenues, profits and emo-

luments therefrom arising to the said parties of the second part, and their heirs and assigns, to the only use of the said parties of the second part and their heirs and assigns forever—as joint tenants at common law, subject nevertheless to an agreement made the twenty-fourth day of September 1841, between the party of the first part and the Lancaster and Susquehanna Slack Water Navigation Company—Provided always, and it is the true intent and meaning of these presents, and the parties hereto, that if the party of the first part shall well and faithfully pay the debts and sums of money and, apply to this purpose the net tolls, profits and revenues of the said canal, works and property as hereinafter specified and directed, then these presents to be void. First—the party of the first part shall pay out of the net proceeds aforesaid the interest to the State of Maryland as the same may hereafter accrue, and all such sums of money, to James Hepburn, J. M. Haldeman, the executors of E. Coleman deceased, Simon Cameron, John C. Boyd, John McKim Jr. Joseph Todhunter, Wm. G. Harrison, Hugh Boyle, Wm. Bose, James Cheston and John N. Lane, as they or either of them have paid for the party of the first part, or for the Tide Water Canal Company, or as they or either of them shall pay or are liable to pay, as endorsers or sureties for the said party of the first part or for the Tide Water Canal Company, and also all such sums of money as may be due to the laborers, lock-keepers and others in the employment of the said party of the first part, for the year eighteen hundred and forty-one. Second —the party of the first part to pay all other debts (except those mentioned in the preceding paragraph which are hereby made preferred debts) which may be due either from the said party of the first part or from the Tide Water Canal Company, so far as the said party of the first part may be liable therefor. The same to be paid within five years from the first day of January, eighteen hundred and forty-two, with interest. And the holders of any of the said claims shall have the right to convert the same into bonds of the company, payable January the first, eighteen hundred and forty-seven, with interest within one year from the date hereof—which which bonds shall be paid in equal proportion with the other debts of this class. Third—the party of the first part shall apply the net proceeds of all tolls, profits, and emoluments it may receive, after deducting the expenses of paying its officers and agents, and the expenses incidental to conducting, repairing and improving its canal and the works and structures thereto appertaining, and other incidental expenses—first, to the debts mentioned in the first class, and after they shall be paid or satisfied, then to the payments of the debts mentioned in the second class—but shall pay the debts due to the laborers on the canal for the year eighteen hundred and forty-one, first.

And it is covenanted and agreed between the parties to these presents, that the said party of the first part shall remain in possession of the lands, estate, goods, chattels and canal and works hereinbefore mentioned, until there is a failure on the part of the

party of the first part to comply with and perform the conditions and stipulations before stated; and it is further covenanted and agreed by and between the parties hereto, that if the parties of the first part shall fail to pay the debts hereinbefore mentioned and stipulated to be paid, when the same shall fall due, or shall fail to apply the net proceeds of the tolls, profits and revenues aforesaid, as hereinbefore stated, then this conveyance to be considered absolute, and the parties of the second part to have full right and authority to enter upon all the estate and property hereinbefore mentioned, and to receive the tolls and profits, and to apply the net proceeds thereof, after deducting all incidental and other expenses, to the payment of the aforesaid debts, in the same manner that the party of the first part hath herein agreed to apply the same. And it is further covenanted and agreed by and between the said parties hereto that if the said party of the first part shall permit or suffer the tolls and profits aforesaid, or any part thereof, arising from the said canal or any of the estate or property hereby granted, to be applied in any other manner than hereinbefore directed, then the said parties of the second part may enter and apply the tolls and profits in the manner directed in the next preceding covenant—Provided however, and it is further covenanted and agreed between the parties to these presents, that the party of the first part shall have the right at any time to fund and convert into a permanent loan the debts and liabilities, the payment of which are herein provided for, or to raise money by way of loan to pay the same and to pledge, mortgage or otherwise convey all and singular the property and estate hereby granted and conveyed for the security thereof, and the right of declaring and paying dividends out of the surplus profits, after the payment of interest on said loan—and in the event of said debts and liabilities being paid or funded as aforesaid, this conveyance shall be void, and all and singular the estate and property hereby conveyed shall revert to and be re-invested in the said party of the first part.

In witness whereof, the said Susquehanna Canal Company hath caused the corporate seal of the said company to be hereto affixed, and James Hepburn, Esq. the President of the said company, hath signed these presents.

Signed, JAS. HEPBURN, President. [SEAL.]

Signed, sealed and delivered in the presence of

J R. WELSH.

Attest, J. R. WELSH, Treasurer.

[COPY.]

DEED OF ASSIGNMENT.

TIDE WATER CANAL COMPANY TO JAMES HEPBURN AND OTHERS, TRUSTEES.

This indenture made this twenty-third day of December, in the year eighteen hundred and forty-one, between the Tide Water Canal Company, a corporation chartered by the State of Maryland, of the first part, and James Hepburn, Jacob M. Halderman, Simon Cameron, G. W. Aspinwall and John C. Boyd, of the State of Pennsylvania, and Joseph Todhunter, William G. Harrison and Hugh Boyle, of the city of Baltimore and State of Maryland, of the second part. Whereas, The Tide Water Canal Company is indebted to divers persons, and owes a large amount of debts, and is also properly responsible for a large amount of debts contracted in the name of the Susquehanna Canal Company, a corporation chartered by the State of Pennsylvania. The proceeds of the debts so contracted in the name of the Susquehanna Canal Company, having been applied to the use of the Tide Water Canal Company aforesaid, and to secure the payment of said debts and to produce a just and equitable appropriation of the property, effects, tolls, profits and revenues of the Tide Water Canal Company aforesaid, to the payment of its debts and liabilities, and a proper distribution thereof among its various creditors, according to their respective rights and claims to priority and preference, these presents are executed.

Now this indenture witnesseth, that the Tide Water Canal Company aforesaid, in consideration of the premises, and the further consideration of five dollars, to it paid by the said parties of the second part, hath granted, bargained, sold, assigned and transferred, and by these presents doth grant, bargain, sell, assign and transfer unto the said parties of the second part, their heirs and assigns forever, as joint tenants, (with rights of survivorship as at common law) all that land situate in Harford county and State of Maryland, now in the possession, use and occupancy of the Tide Water Canal Company aforesaid, and also the canal, locks, bridges, houses, goods, chattels, tolls, profits, revenues and effects of every description of the Tide Water Canal Company aforesaid,

together with all the rights and privileges of receiving tolls, profits and revenues, and all other rights and privileges appertaining or incidents to the said lands, canal property and effects hereby conveyed.

To have and to hold the lands, canal, tolls, profits and revenues, and all and singular the premises to the parties of the second part and their heirs, to the only use of the parties of the second part, their heirs and assigns forever, as joint tenants with rights of survivorship as at common law, subject, however, to an agreement made between the Susquehanna Canal Company and the Lancaster and Susquehanna Slack Water Navigation Company, dated the twenty-fourth day of September, eighteen hundred and forty-one, and which agreement was assented to by the parties of the first part—in trust nevertheless for the following purposes, to wit, first to pay to the State of Maryland the interest which shall accrue on the debt due from the party of the first part to the said State, and also to pay to Jas. Hepburn, Jacob M. Halderman, John N. Lane, John McKim, jr. Simon Cameron, John C. Boyd, Joseph Todhunter, Hugh Boyle, James Cheston, Wm. G. Harrison, William Bose, and the executors of Edward Coleman, deceased, all such sums of money as they or either of them may have paid or may hereafter pay, or are liable for, in virtue of any liability they or either of them may have incurred, directly or indirectly, for either the Tide Water Canal Company aforesaid, or for the Susquehanna Canal Company aforesaid; and shall also pay all such sums of money as may be due to the officers of Harford county court, for official or professional services rendered for the Tide Water Canal Company, and shall also pay all such sums of money as may be due to the laborers and lock-keepers for work and services done on the canal of the party of the first part during the year eighteen hundred and forty-one. The debts enumerated in this paragraph to be regarded as preferred debts, and to be first paid before the debts mentioned in the succeeding paragraph, and the debts before mentioned, due to laborers and lock-keepers for work and services as aforesaid, is to be paid in preference to and before all other debts. Second, after paying the debts mentioned in the next preceding paragraphs, then to pay all other debts which the Tide Water Canal Company or the Susquehanna Canal Company may owe. The debts mentioned in this paragraph to be paid on or before the first day of January, in the year eighteen hundred and forty-seven, with interest from the time the said debts respectively bear interest by the terms of the several contracts, notes, bonds or evidences of debt, by which they were created; and it is further hereby provided, that any creditor of the Tide Water Canal Company or of the Susquehanna Canal Company, may at any time within one year from the date of these presents, receive for his claim, in lieu of any other evidence of debt, the bond of the said party of the first part, payable on the first day of January, in the year eighteen hundred and forty-seven, with interest from the date of such bond, and such bonds when

given shall include the interest then due on the debts for which they are given, and shall be considered as a part of the debts, the payments of which is provided for in this paragraph.

Third.—It is further covenanted and agreed by and between the parties to these presents, that the party of the first part shall remain in possession of all the estate, property, effects and rights hereby conveyed, so long as the party of the first part shall well and faithfully receive all the rents, issues, tolls, revenues, profits and proceeds of the said land, canal, property, effects and rights hereby conveyed and hereinbefore mentioned, and shall, after deducting the necessary and incidental expenses arising from conducting, useing, repairing or necessarily improving the said canal, or any of the works or buildings thereto appertaining, apply and disburse the same in payment of the debts aforesaid, according to their respective rights to preference, as hereinbefore stated. And it is further covenanted and agreed, that the preceding covenants by which the party of the first part is to retain possession as aforesaid, is upon the express condition, that the said party of the first part shall well and faithfully receive and disburse the rents, issues, tolls, revenues, profits and proceeds aforesaid, as hereinbefore provided, and upon the further conditions, that if the said party of the first part shall, from any cause whatever, neglect, omit, refuse or be prevented from receiving or disbursing the rents, issues, tolls, revenues, profits or proceeds aforesaid, as hereinbefore directed and provided, then the said covenants herein contained by which the said party of the first part is to retain possession and receive and disburse as aforesaid, is to be utterly null and void; and the said parties of the second part are forthwith to enter into possession and receive all the estate, property, effects, rights, tolls, rents, issues, profits, revenues and proceeds, in the same manner and to the same extent, as if no stipulations or covenants herein contained, providing for the retaining of the possession by the party of the first part, and receiving and disbursing as aforesaid.

And it is further covenanted and agreed by and between the parties hereto, that the said party of the first part, may at any time hereafter, surrender up to the party of the second part, the possession of all the estate, property, rights and effects, and all the tolls, profits, rents, issues, revenues and proceeds hereinbefore mentioned, and upon such surrender, the said party of the first part is to be exempted and released from all obligations to receive and disburse the rents, issues, tolls, profits, revenues and proceeds, as hereinbefore provided and directed.

And it is further covenanted and agreed by an between the parties hereto, that if the party of the first part, shall either surrender up the possession as aforesaid, or shall in any respect, fail to comply with any of the aforegoing stipulations, conditions, covenants or agreements, concerning the receiving or disbursing of the rents, issues, profits, tolls, revenues, or proceeds aforesaid, then and in any of these events, the party of the second part shall

and will forthwith enter upon and take possession of all the lands, canal, estate, property, effects, rights, tolls, profits, revenues and proceeds hereinbefore mentioned, and shall pay and satisfy the debts aforesaid, according to their respective rights to priority and preference in payment as hereinbefore provided; *provided however*, and it is further covenanted and agreed between the said parties to these presents, that the party of the first part shall have the right at any time to fund or convert into a permanent loan, the debts and liabilities, the payment of which are herein provided for, or to raise money by way of loan to pay the same; and to pledge, mortgage, or otherwise convey all and singular, the property and estate hereby granted and conveyed for the security thereof; and the right of declaring and paying dividends out of the surplus profits, after payment of the interest on the said loan. And in the event of the said debts and liabilities being paid or funded as aforesaid, this conveyance shall be void, and all and singular, the estate and property hereby conveyed, shall revert to and be revested in the said party of the first part.

And the Tide Water Canal Company aforesaid, hath and doth hereby constitute and appoint Stephen J. Magraw, of Harford county, and State of Maryland, its true and lawful attorney in fact, to acknowledge for it and in its name, before some proper officer or officers, the aforegoing deed, and to deliver the same to the grantees therein named. And the Tide Water Canal Company aforesaid, hath and doth hereby give to its said attorney in fact, all the powers necessary for acknowledging and delivering said deed.

In witness whereof, the Tide Water Canal Company hath hereunto affixed its seal, and its President, James Hepburn, hath hereunto subscribed his name, on the day and year first above written.

JAS. HEPBURN, Pres't. [SEAL.]

Signed, sealed and delivered in the presence of
(the name of "G. W. Aspinwall" in the sixth
line inserted before execution,) J. R. WELSH
and ALLEN ELDER.

State of Maryland Ss. City of Baltimore, to wit:

On this twenty-third day of December, in the year eighteen hundred and forty-one, came J. R. Welsh, one of the subscribing witnesses to the aforegoing deed, before me the subscriber one of the Associate Judges of the Sixth Judicial District of the State of Maryland, and made oath on the Holy Evangely of Almighty God, that he was present when the aforegoing deed and letter, or power of attorney was executed, and that he saw the Tide Water Canal Company, the party grantor therein named, seal and execute the same, and that he subscribed his name thereto as a witness. And at the same time, personally appeared before the subscriber, a Judge as aforesaid, Stephen J. Magraw, being the person named in the letter of attorney contained in the aforegoing deed, the due execution of which was proved before me as afore-

said; and the said Stephen J. Magraw, for and in the name of the Tide Water Canal Company aforesaid, acknowledged the aforegoing deed to be the act and deed of the Tide Water Canal Company aforesaid; and the estate, property, rights, tolls, profits and effects therein mentioned, and thereby conveyed, to be the rights, property and estate of the parties of the second part in said deed named, their heirs and assigns forever, according to the purport, true intent and meaning of said deed.

Taken and certified by

R. B. MAGRUDER.

Received and recorded the 24th day of December 1841, and examined by

HENRY DORSEY, Cl'k.

Maryland Ss. Harford County, to wit:

I hereby certify that the aforegoing and annexed deed or instrument of writing, is truly transcribed from Liber H. D., No. 25, folio 324, one of the Land Record books of Har-
[SEAL.] ford county court. In testimony whereof, I hereto subscribe my name and affix the seal of Harford county court, this 22d day of February, in the year 1842.

HENRY DORSEY, Cl'k.

[Document D.]

BY THE HOUSE OF DELEGATES,
January 3rd, 1843.

Read and ordered to be printed.

REPORT

OF THE

ANNAPOLIS & ELKRIDGE RAIL ROAD COMPANY,

TO THE

GOVERNOR OF MARYLAND,

DECEMBER SESSION, 1842.

REPORT.

OFFICE OF THE ANNAPOLIS AND ELK RIDGE RAIL ROAD CO.

Annapolis, December 28th, 1842.

To his Excellency,

FRANCIS THOMAS,

Governor of Maryland.

DEAR SIR:—I have the honor to enclose the fifth Annual Report of the Directors of the Annapolis and Elkridge Rail Road company, to the stockholders,

And have the honor to be,

Very respectfully,

SOMERVILLE PINKNEY, *Pres't.*

To the Stockholders of the

Annapolis and Elk Ridge Rail Road Company:

The directors respectfully submit to the consideration of the stockholders, their fifth annual report.

The road has now been opened twenty-one months, and the directors see no cause to despond as to the ultimate success of the enterprize. During a season of unexampled pressure, the road has been able to sustain itself and to accommodate the public with a rapid and frequent communication between Annapolis and Washington and Baltimore, notwithstanding it has had to encounter a competition with two steamboats running between Annapolis and Baltimore, at a rate lower than the fare established on this line. The directors hope, during the next season, to reduce the fare so as to enable the company successfully to compete with the Chesapeake line. Assurances have been received, that the Baltimore and Ohio Rail Road company will assent to such a modification of its charter by the Legislature, as to empower it to co-operate with this company, in a reduction of the fare to a proper and cheap rate. The directors anticipate great benefit, and a considerable accession to the revenues of the company, from the increased number of passengers in the ensuing year.

In April, 1841, the directors executed a deed of trust to Thomas S. Alexander, James Iglehart and Matthew Baldwin, Esquires,

of all the property of the company, authorising those gentlemen to execute the franchises of the company, and to carry on the operations of the road. The object of this deed was to prevent an undue advantage being obtained by those creditors who had sued the company, over those who had postponed instituting their actions. It was hoped that the Legislature would, at its next session, make a provision for the relief of the suffering creditors.—These hopes were realized. The Legislature, at the session of 1841, passed a law for the relief of the company, which, whilst it effectually relieves the creditors, does not add materially to the burthens of the State. It authorises the company to issue its bonds, irredeemable, except at the pleasure of the company or of the State, until after the expiration of thirty years, to the creditors whose claims amount to or exceed one hundred dollars; and appropriates the whole revenue of the company to the payment of the annual interest, and the principal. It also appropriates the profits which the State shall derive from the use of the road, in connexion with the Washington Branch of the Baltimore and Ohio Rail Road, and declares that such profits shall consist of seven-fifteenth parts of the aggregate amount received by the Baltimore and Ohio Rail Road company, for the transportation of passengers delivered to or received from this road. And it further declares, that the act shall take effect from the first day of January, 1842. The security thus offered to the creditors of the company is most ample, and no reason is perceived, why the bonds issued under the provisions of this act, should not command par in the market. The amount authorised to be issued cannot exceed eighty thousand—the amount actually issued is less than fifty-five thousand dollars, and will not exceed seventy thousand dollars. The interest on the debt of the company actually issued, is $3,300 per annum. The annexed statement will shew the sufficiency of the fund for the payment of interest. The directors take the actual operations of the six months ensuing the 1st instant, because it is the most unfavorable to the company.

The receipts of the company, from first April to 1st October, 1842,		$5,428 19
The expenditures have been for repairs, making the road, wages, salaries, &c.	$3,307 39	
Scrip of the company (including the above receipts) burnt and cancelled,	992 37½	
Scrip of the company on hand,	487 87½	
Cash paid Treasurer of the Western Shore,	512 00	
		$5,299 64

The scrip redeemed, together with the interest already paid by the company, is equivalent to the interest which has accrued in the last six months, thus shewing the ability of the company, after its scrip shall have been redeemed, to pay the interest upon its debt. But if to the means proper of the company, be added the resources to be derived from seven-fifteenths the revenue received by the Baltimore and Ohio Rail Road company, the fund is ample.—

The travel, from the 1st of April to the 1st of October was, for travellers entered on the way bills between Baltimore and Annapolis 1,222½; between Annapolis and Washington, 410. Way passengers who travelled to and from Baltimore, 709. Way passengers to and from Washington, 119—and the following is the result:

1,931 Passengers between Annapolis and Baltimore, yielding Baltimore and Ohio Rail Road Co.	$2,172 37½
529 Passengers between Washington and Annapolis,	727 37½
	$2,899 75

Seven-fifteenths of which is $1,352 81. The above statement, founded upon the actual operations of the company for six months, afford the most satisfactory proof of the capability of the company to provide for the satisfaction of its debts, and ultimately to make the road a source of profit to its stockholders.

The following statement shows the number of passengers from 1st January to 1st of October, and the amount of revenue accruing from the Baltimore and Ohio Rail Road company under the aforementioned act:

5,146 Passengers, at $1.12½, - -	$5,789 25
1,226 Passengers, at 1.37½, - - -	1,685 75
	$7,375 00
Seven-fifteenth part is, - $3,441 66⅔.	

All which is respectfully submitted,

SOMERVILLE PINKNEY, Pres't.

Annapolis, October 1st, 1842.

[Document E.]

BY THE HOUSE OF DELEGATES,
January 3rd, 1843.

Read and ordered to be printed.

FIRST SEMI-ANNUAL REPORT

OF

J. HUDDLESON, SUPERINTENDENT

OF

THE NATIONAL ROAD,

WITHIN THE

LIMITS OF MARYLAND.

NATIONAL ROAD, MARYLAND.

November 15th, 1842.

To His Excellency

FRANCIS THOMAS,

And the Senate of Maryland.

I herewith transmit, in accordance with the act of Assembly, passed "December session 1831, chap. 85," a true copy of my first semi-annual account and report of the affairs and condition of that part of the United States Road, within the limit of Maryland.

All of which is respectfully submitted, by

Your very obedient and humble servant,

J. HUDDLESON, *Superintendent.*

REPORT.

FIRST SEMI-ANNUAL REPORT

of

JONATHAN HUDDLESON,

Superintendent of National Road within the limits of Maryland.

Abstract of tolls received on the National Road in Maryland, from the first day of February to the first day of August, 1842.

Amount of tolls received at toll gate No. 1 on the National Road, Md. for the month of February, 1842. $623 93

I hereby certify that the above is the true amount of tolls received at toll gate No. 1, during the time specified, and that I paid over the same to J. Huddleson, superintendent.

PAUL BUTLER.

Maryland, Allegany County, to wit:

On the 10th day of August 1842, before me, the subscriber, a justice of the peace of the State of Maryland, in and for the same county, personally appeared Paul Butler, and made oath on the Holy Evangely of Almighty God, that the above account and certificate is just and true, to the best of his knowledge and belief.

Sworn before, JOHN WOLF.

August 10th, 1842.

Abstract of tolls received at toll gate No. 1, on the National Road in Maryland, from the first day of March to the first day of August, 1842.

Amount of tolls received for the		Month of March,	$706 00
"	"	Month of April,	641 15
"	"	Month of May,	443 81
"	"	Month of June,	256 37
"	"	Month of July,	440 42
"	"		
			$2,487 75

I certify that the above is the true amount of tolls received at toll gate No. 1, during the time specified, and that I paid over the same to J. Huddleson, superintendent.

August 9th, 1842. JACOB MYRES.

Maryland, Allegany County, to wit:

On this 10th day of August in the year 1842, before me, the subscriber, a justice of the peace of the State of Maryland and for said county, personally appeared Jacob Myers, and made oath on the Holy Evangely of Almighty God, that the above account and certificate is just and true to the best of his knowledge and belief. Sworn before,

JOHN WOLFE.

Abstract of tolls received at toll gate No. 2, on the National Road in Maryland, from the 17th day of May to the 1st day of August, 1842.

Amount of tolls received from the 17th May to June 1st, - - - - - -	$68 37
Amount of tolls received during the month of June,	194 11
Amount of tolls received during the month of July,	124 55
	$387 03

I certify that the above is the true amount of tolls received at toll gate No. 2 during the time specified, and that I paid over the same to J. Huddleson, superintendent.

August 9th, 1842. FRANCIS MADORE.

Be it remembered, that on this 9th day of August 1842, personally appeared before me, the subscriber, one of the justices of the peace, in and for Allegany county, Maryland, Francis Mason, and made oath on the Holy Evangely of Almighty God, that the above certificate as it stands stated, is just and true to the best of his knowledge and belief.

Sworn before, THOMAS M. PORTER.

Abstract of Disbursments on account of Repairs on the National Road within the limits of Maryland, from the 1st day of February to the 1st day of August, 1842.

Disbursements in the Month of February, 1842.

TO WHOM PAID.	NATURE OF EMPLOYMENT.		AMOUNT.
J. Everstine,	Three day's hauling with horse and cart, at $1 50,	$4 50	$9 75
"	Six day's individual labor, at 87½ cents,	5 25	
J. Winters,	Amount of bill for tools, (viz. crowbars, sledges, picks, &c., &c.,)		41 79
P. Purcell,	Seven day's work of horse and cart, at $1 50,	10 50	11 50
"	One day's work and management,	1 00	
Wm. Tenneson,	Fourteen day's work, at 87½ cents,		12 25
T. Fairall,	Seven day's hauling with waggon and four horses, at $3 50,	24 50	33 25
"	Ten day's individual labor, at 87½ cents,	8 75	
A. Yeast,	Five and a-half day's work with waggon and four extra hands, at $5 12½,	27 69	39 56¼
"	Three day's work of horse and cart, and three extra hands, at $3 50,	10 50	
"	One day's individual labor,	87½	
A. Browne,	Amount of bill for pick and mattock helves, &c.,		5 76
H. Mulholland,	Nine day's work, at 87½ cents,		7 87½
B. Browne,	Surveying toll-house lot, at gate No. 2,		6 00
D. Turney,	Twelve and a-half day's individual labor, at 87½ cents,	10 94	13 69
"	One day's hauling with waggon and three horses,	2 75	
P. Gannon,	Eight and a-half day's work, at 87½ cents,		7 44
J. Huddleson,	Ten day's hauling with waggon and four horses, at $3 50,		35 00
			$223 86¼

Abstract of Disbursements on account of Repairs on the National Road within the limits of Maryland, from the 1st day of February to the 1st day of August, 1842.

Disbursements in the Month of March, 1842.

TO WHOM PAID.	NATURE OF EMPLOYMENT.		AMOUNT.
D. Fear,	Eight days' hauling with waggon and three horses, at $2 75,	$22 00	$23 75
"	Two days' individual labor, at 87½ cents,	1 75	
G. H. Leonard,	Five and a-half days' work,		4 50
J. McNelty,	Twenty-five days' work, at 87½ cents,		21 87½
H. Mullen,	Three days' work, at 87½ cents,		2 62½
J. Recknor,	Breaking 144½ perches stone at 20 cents,		28 90
P. McDermott,	Nine days' work, at 87½ cents,		7 87
P. Halderman,	Ten days' hauling with waggon and two horses, at $2 00,		20 00
M. Cunahan,	Ten and one-quarter days' work, at 87½ cents,		8 97
D. Rice,	One sledge hammer,		2 00
P. Skenneder,	Ten and three-quarters days' work at 87½ cents,		9 40
Stuart Maguire,	Blank books and stationery,		2 31¼
A. McCurdy,	Twenty-seven and a-half days' individual labor, at 87½ cents,	$24 06¼	31 06¼
"	Two days' hauling with waggon and four horses,	7 00	
A. Yeast,	Twenty-two days' hauling with waggon and three horses, at $2 50,	55 00	108 50
"	Seven days' hauling with horse and cart, at $1 50,	10 50	
"	Twenty days' individual labor, at 87½ cents,	17 50	
"	Twenty-five and a-half days' work and management, at $1 00,	25 50	
~~J. Recknor,~~	~~Breaking 25 perches stone, at 20 cents,~~		~~5 00~~
J. Swartzengroover,	Seven days' work at 87½ cents,		6 12½

S. Turney,	Three and a-half days' work, at 87½ cents,		3 06¼
P. Hyleman,	Twenty-five days' work, at 87½ cents,		21 87½
P. Stank,	Breaking 118 perches of stone, at 20 cents,		22 00
Wm. Sygerson,	Breaking 50 perches of stone, at 20 cents,		10 00
J. Lafferty,	Eleven and a-half days' work, at 87½ cents,		10 06¼
D. Turney,	Two day's work of horse and cart, at $1 50,	$3 00	9 77
"	Seven and three-quarters days' work, at 87½ cents,	6 77	
Wm. Tenneson,	Twenty-four and a-half days' work and management, at $1,		24 50
Lowndes Cleary,	Bill for shovels,		7 00
T. Cunningham,	Two and three-quarters days' work, at 87½ cents,		2 40
Wm. Costello,	Eight and a-half days' work, at 87½ cents,		7 44
J. Percy,	Eighteen and a-half days' hauling with waggon and 4 horses, at $3 50,	64 75	66 50
"	Two day's individual labor, at 87½ cents,	1 75	
C. Connor,	Eighteen days' hauling with waggon and 4 horses, at $3 50,		63 00
P. Gannon,	Twenty-one and a half days' work, at 87½ cents,		18 81¼
A. Connor,	Nine days' work and management, at $1,		9 00
Mattingly Gephart,	Amount of blacksmith bill,		13 30
A. Delfe,	Twelve days' work, at 87½ cents,		10 50
L. R. Lowndes,	For rock-powder,		7 50
H. Mulholland,	Twenty-one days' work, at 87½ cents,		18 37½
H. Mullen,	Seven and a half day's work, at 87½ cents,		6 56¼
Wm. P. Sterritt,	For tools, (viz. barrows, drills, picks and sledges, &c.,)		24 71½

Disbursements in the month of March,—Continued.

	AMOUNT BROUGHT FORWARD,		$
P. Purcell,	Fifteen days' work and management, at $1, - - - - - -	15 00	17 00
"	One sledge and one hammer, - - - - - - - - - -	2 00	
P. Flinn,	Thirteen and three-quarters days' work, at 87½ cents, - - - - -		12 02½
G. Cleary;	Seven days hauling with waggon and 4 horses, at $3 50, - - - -		24 50
J. Arkins,	Eighteen days' work, at 87½ cents, - - - - - - - -		15 75
J. Huddleson,	Twenty-nine days' hauling with horse and cart, at $1 50, - -	43 50	78 50
"	Ten days' hauling with waggon and 4 horses, at $3 50, - - -	35 00	
T. Fairall,	Twenty days' hauling with waggon and 4 horses, at $3 50, - -	70 00	95 37½
"	Twenty-nine days' individual labor, at 87½ cents, - - - -	25 37½	
			$882 41

Disbursements in the Month of April, 1842.

TO WHOM PAID.	NATURE OF EMPLOYMENT.		AMOUNT.
J. M'Alpin,	Forty-three and three-quarters days' work, at 87½ cents,		$38 28
J. Downey,	Ten days' work, do.,		8 75
E. Browne,	Thirty days' work, at $1 00,		30 00
J. Callan,	Thirteen and a-half days' hauling with waggon and 4 horses, at 3 50,		47 25
G. Duckworth,	Eight days' work, at 87½ cents,		7 00
T. Kelly,	Nineteen and three-quarters days' work, do.,		17 27½
M. Monahan,	Twenty-one and one-quarter days' work, do.,		18 59
P. Ryan,	Twenty-nine and three-quarters days' work, do.,		26 03
C. Rannagan,	Fifteen days' work and management, at 1 00,		15 00
C. Connor,	Twenty and three-quarters days' work with waggon and 4 horses, at 3 50,		72 62½
M. Mulholland,	Quarrying and breaking stone, per contract,		400 00
Wm. P. Sterritt,	One drill,		1 02
M. Coffey,	Thirty-two days' work, at 87 1-2 cents,		28 00
P. Coffey,	Thirty-six and a-half day's work, do.,		31 94
P. Purcell,	Eight days' work and management, at 1 00,		8 00
J. McDevitt,	Twenty-one days' individual labor, at 87 1-2 cents,		18 37½
"	Nineteen days' work of horse and cart, at 1 50,		28 50
P. Gannon,	Twenty-four days' work, at 87 1-2 cents,		21 00
J. Wright,	Thirty-eight and a-half days' work, do.,		33 68¾
J. Dehl,	Breaking 89 perches of stone, at 20 cents,	$17 80	25 75
"	Breaking 53 perches of do., at 15 cents,	7 95	
P. Dillon,	Thirteen and a-half days' work, at 87 1-2 cents,		11 81¼

Disbursements in the Month of April,—Continued.

J. McCormick,	Six and three-quarters days' work, at 87 1-2 cents,			$5 90
M. Cunahan	Eight days' work, do.,			7 00
E. Dunne,	Three and one-quarter days' work, do.,			2 84
County Clerk,	Condemnation money for toll-house lot,			25 00
J. Mullen,	Twenty-four days' work and management, at $1 00,			24 00
T. Perry,	Professional services in condemning toll-house lot,			5 00
A. Forsythe,	Forty-seven and one-quarter days' work, at 87 1-2 cents,			41 12½
J. Cobb,	Thirty-four and one-quarter days' work with horse and cart, at 1 50,	51 37½		77 62½
"	Thirty days individual labor, at 87 1-2 cents,	26 25		
A. Delf,	Twenty-three days' work, do.,			20 12½
O. Barcus,	Twelve days' hauling with waggon and 4 horses, at 3 50,	42 00		54 00
"	Four days' hauling with waggon and 3 horses, at 3 00,	12 00		
J. Wade,	Nineteen and a-half days' work, at 87 1-2 cents,			17 06¼
J. Quinn,	Thirty-one and a-quarter days' work and management, at 1 00,			31 25
P. Flinn,	Twenty-three and a-half days' work at 87 1-2 cents,			20 56¼
J. Egart,	Six and three-quarters days' work, do.,			5 92
H. Fickling,	Twenty-one days' work, do.,			18 37½
J. Gerhart,	Twenty-four and a-half days' work, do.,			21 43¾
J. T. Ball,	Twenty-six days' hauling with waggon and 4 horses, at 3 50,			91 00
J. Hegan,	Three and one-quarter days' work, at 87 1-2 cents,			2 84
T. Kelly,	Nine and one-quarter days' work, do.,			8 09
J. Huddleson,	Twenty-four days' work with horse and cart, at 1 50,			36 00
			$	1,404 03¾

Disbursements in the Month of May, 1842.

TO WHOM PAID.	NATURE OF EMPLOYMENT.	AMOUNT.
J. Myres,	Two months collecting toll, at gate No. 1,	$33 33½
H. Mulholland,	Twenty-five days' work, at 87 1-2 cents,	21 87½
P. Flinn,	Twenty days' work, do.	17 50
L. Deen,	Breaking and shoveling on 22 perches of stone, at 261-4 cents,	5 77½
M. Jordan,	Fourteen days' work, at 87 1-2 cents; four and a-half days' work with 2 horses and carts and one driver, at 2 50; fourteen days' work with 1 horse and cart at 1 50,	44 50
P. Stark,	Breaking 53 1-2 perches of stone, at 20 cents,	10 70
D. Molloy,	Thirty-four days work at 87 1-2 cents,	29 75
T. Mulvany,	Two days' work, do.,	1 75
T. Barnard,	Fourteen and one-quarter days' work, do.,	12 46¾
H. Clarke,	Forty-four and one-quarter days' work, do.,	38 72
P. O'Brien,	Twenty-one days' work of 2 horses and carts and one driver, at 2 50,	52 50
C. Connor,	Twenty-three and one-quarter days' hauling with waggon and 4 horses, at 3 50,	81 37½
G. Gephart, G. M. Blocher, J. Wickard	Appraising toll house lot, No. 2,	9 37½
J. Stiner,	One pair gates at toll gate No. 2,	5 00
H. B. Warren,	Making foundations and erecting gate posts, including bolts, screws, &c.,	12 93¾
J. M. Chaney,	Ironing 1 pair gates, at toll gate No. 2;—1,250 feet fencing boards, for toll house lot,	15 00
M. Cunahan,	Nineteen and three-quarters days' work, at 87 1-2 cents,	17 28
J. Huddleson,	Twenty-three days' work of horses and carts, at 1 50; one-half day's work of waggon and 4 horses, at 3 50; two days' individual labor, at 87 1-2 cents,	38 00
		$447 83¼

Disbursements in the Month of June, 1842.

TO WHOM PAID.	NATURE OF EMPLOYMENT.		AMOUNT.
M. T. Miller,	Bicknell's Detector, and postage for remittance,		$1 37½
J. White, (R. M.)	Fifty-one days' work, at 87 1-2 cents,		44 62½
M. Mulholland,	Quarrying and breaking stone, per contract,		400 00
J. McAlpin,	Thirty-three days' work, at 87 1-2 cents,		28 87½
W. Merrill,	Breaking 37 1-2 perches of stone, at 20 cents,		7 50
J. Wade,	Breaking 46 1-2 perches of stone, do.,		9 30
P. McDermott,	Fifty-two days' work, at 87 1-2 cents,		45 50
A. O'Neil,	Eighty-one and a-half days' work, do.,		71 31½
S. Holtzman,	Amount of blacksmith bill,		10 75
G. M. Blocher,	Toll house, for gate No 2, per contract,		300 00
A. Connor,	Fifty-five and a-half days' work and management, at 1 00,		55 50
S. P. Smith,	One thousand, seven hundred and fifty perches of stone, at 4 cents,		70 00
C. Connor,	Twenty-one and a-half days' hauling with wagon and 4 horses at 4 00,		86 00
J. Ward,	Forty-three days' work, at 87 1-2 cents,		37 62½
J. Huddleson,	Thirty-seven and a-half days' individual labor, do.,	$32 81½	
"	Thirteen and one-quarter days' work of horse and cart, at 1 50,	19 78½	74 68¾
"	Four and three-quarters days' work with wagon and 4 horses, at 4 00,	19 00	
"	One and a-half days' work two horses and man, ploughing, at 2 00,	3 00	
			$1,243 05

Disbursements in the Month of July, 1842.

TO WHOM PAID.	NATURE OF EMPLOYMENT.	AMOUNT.
H. Brady,	Breaking 160 perches of stone, at 25 cents,	$40 00
L. Farrell,	Breaking 139 perches of stone, do.,	33 75
J. Sherry,	Seventy and three-quarters days' work, at 87 1-2 cents,	61 90
W. Hicks,	Eighty-nine and three quarters days' work, do.,	78 53
J. Carboy,	Seventeen day's work, do.,	14 87½
J. Mulcaby,	Four days' work, do.	3 50
Stewart & Maguire,	Stationery,	1 00
J White, (Q'm'n,)	Forty-eight and three-quarters days' work, at 87 1-2 cents,	42 65½
J. Trainer,	Breaking 120 perches of stone, at 25 cents,	30 00
A. Yeast,	Hauling stone, per contract,	62 00
Thos. M. Porter,	Hauling stone, do.,	160 00
J. Fitzgerald,	Eighty-eight and a-half days' work and management, at 1 00,	88 50
A. G. Slicer,	Painting toll house and gates, per contract,	16 00
M. Mulholland,	Quarrying and breaking stone, per contract,	100 00
P. Butler,	One month's collecting tolls in February,	25 00
J. Myres,	Three months collecting toll to the end of this month,	50 00
J. Huddleson,	Forty-nine and three-quarters days' individual labor; thirty-nine and one-quarters days' work of horses and carts; twenty days' work of wagon and 4 horses,	182 40½
S. Butler,	Two days' work, at 87 1-2 cents,	1 75
G. Bruce,	Auditing two quarters' accounts of superintendent,	4 00
		$995 86½

RECAPITULATION.

State of Maryland, in account with J. Huddleson, Superintendent of National Road in Maryland, 1842.

		Dr.
To amount paid, from the 1st day of February to the 1st of March,		$223 86¼
Paid in the month of March,		882 41½
Do. do. April,		1,404 03¾
Do. do. May,		447 83¾
Do. do. June,		1,243 05
Do. do. July,		995 86½
		5,197 07¼
Balance on hand,		5 13¾
		$5,202 21¼

By amount of tolls received in the	Cr.	
month of February,	$623 93	
Do. do. March,	706 00	
Do. do. April,	641 51	
Do. do. May,	512 18	
Do. do. June,	450 48	
Do. do. July,	564 97	
	3,498 71	
Am't of moneys rec'd of Thos. Thistle, late superintendent,	$1,703 51	$5,202 21¼

Maryland, Allegany County, to wit:

The undersigned having been appointed by the Executive of Maryland auditor, to audit the accounts of the superintendent of the National Road in Maryland, do hereby certify, after being duly qualified, that I have carefully examined the vouchers of J. Huddleson, superintendent, and find them to correspond with the aforegoing account.

Given under my hand, this 1st day of August, 1842.

George Bruce.

It has been the purpose of the undersigned, from an early view of the condition of the road and the character of its funds, to *expend freely*, with an eye to economy, all the available means in improving the road; and he believes, that the result has justified his course.

He has erected a second toll-house and gate, which bids fair to repay, in the first year, the entire expense thereof, from travel that would otherwise enjoy the *free* use of a great portion of the road. He deems it essentially necessary, that a third toll gate be erected, (for which no law exists,) between the *centre and western end* of the road in Maryland; over which portion of the road, a rapidly increasing trade in *lumber* and *produce*, is carried on, free from toll, greatly to the prejudice of the *toll-paying community;* also, that a privilege be granted the toll collector, at gate No. 1, to collect through an agency at the narrows of Wills creek, *tolls* from that portion of the travel, that now use from *two* to *six* miles of the eastern end of the road, *gratis*. The *difficulty* and *cost* attending a supply of *good metal* on many suffering parts of the the road, calls for all the means that the road can honestly claim, and actuates the undersigned to make, wherever he judiciously can, *summer* or *side roads*, for the use of the travelling community, with a view to a future saving the wear of metal, at least, half the year.

He has the pleasure to announce the fact, that the road is *very much improved*, by the means of the last half year's operations; though means will be required, as fast as obtained, *to pay*, on the approaching close of some heavy undertakings. A heavy item of revenue, (though not now relied on,) is expected from the *mail contractors* on this route, so soon as similar claims of other States, now pending in the Supreme Court of the United States, shall be finally acted upon.

J. HUDDLESON, *Superintendent.*

[Document F.]

BY THE HOUSE OF DELEGATES,
January 3rd, 1843.

Read and ordered to be printed.

SEVENTH AND EIGHTH SEMI-ANNUAL REPORTS

OF

T. THISTLE, SUPERINTENDENT

OF

THE NATIONAL ROAD,

WITHIN THE

LIMITS OF THE STATE OF MARYLAND.

REPORT.

To His Excellency, William Grason, Governor,
And the Honorable, the Council of Maryland:

I have the honor herewith, to transmit a copy of my seventh and eighth semi-annual reports of tolls received, and the disbursements on account of repairs of the National Road in Maryland, commencing the twentieth of November, 1840, and ending the twentieth of November, 1841; together with the vouchers, as audited by the auditor appointed for that purpose.

By comparing the receipts of tolls for the above named year, with those of the last year of my predecessor, it will be seen, that the latter exceeds the former, one thousand, six hundred and fifty-five dollars and forty-two cents.

This great diminution in the receipts of the present year, may be measurably ascribed to the supplementary act of Assembly, at the session of 1837–8, by which, half-tolls only is required from any person or persons engaged in hauling coal, timber, &c. going and returning on the same day.

This diminution in the amount of tolls is, as I have told you in my former reports, of serious detriment, when it is considered, that the amount of tolls now received are entirely insufficient to keep the road, even in tolerable good repair.

I would, therefore, respectfully beg leave to call your attention to this subject, either of repealing the supplementary act aforesaid, or increasing the rates of tolls, or making an appropriation; otherwise, it will be utterly impossible to keep the road in such a state of preservation as the public good requires.

This law has never been of any benefit to the citizens in general, but to a few individuals in the Frostburgh district, and those living immediately on the road between Frostburgh and Cumberland. I, for my part, cannot see why they should only be charged half-toll, and stage proprietors and others, who travel the road twice and three times a-day be charged full toll. If one set of men goes through for half price, why not all? It appears to me to be unreasonable, as the coal wagons certainly does the road as much damage, if not more, than the stages.

As will be seen by my report, the balance on hand at this time is four hundred and sixty-eight dollars and eleven cents.

There has been a considerable amount of work done since the twentieth of November, and when paid for, will leave a small amount of money in my hands.

I have the honor to be, respectfully your ob'nt serv't,

THOMAS THISTLE, *Super. National Road in Md.*

AN ABSTRACT

Of Tolls Received on the National Road in Maryland, from the 20th of May to the 20th of November, 1841.

1841.	Amount of tolls received during the months of—May, - -	$167 99
	June, - -	575 00
	July, - -	1,126 00
	August, - -	569 00
	September, - -	517 25
	October, - -	584 75
	November, - -	790 00
		$4,329 99
	By Amount on hand from 20th May, -	46 58
		$4,376 57

THOMAS THISTLE, *Superintendent.*

I certify, that the amount of $4,329 99, has been received by me for tolls on the National Road in Maryland, during the time specified, and that the same has been paid Thomas Thistle, superintendent of said road.

PAUL BUTLER, *Collector.*

Cumberland, November 20th, 1841.

State of Maryland, Allegany county to wit.

On the 20th day of November, 1841, personally appeared before me the subscriber, one of the justices of the peace in and for said county, aforesaid, Paul Butler, and made oath according to law, that the statements made by him in the preceding papers, are true to the best of his knowledge and belief.

Sworn before JOHN WOLF.

AN ABSTRACT

Of Disbursements on account of the Repairs of the National Road in Maryland, from 20th May to 20th June, 1841.

TO WHOM PAID.	NATURE OF EMPLOYMENT.	AMOUNT.
J. Wickard,	For publishing the sixth semi-annual report of the superintendent of the National Road in Maryland, -	$16 00
S. Charles,	For publishing the sixth semi-annual report of the superintendent of the National Road in Maryland, -	16 00
	And publishing four quires blank receipts, at $1 25, per quire, -	5 00
		$37 00

AN ABSTRACT

Of Disbursements on account of Repairs on the National Road in Maryland, from the 20th of June to the 20th of July, 1841.

TO WHOM PAID.	NATURE OF EMPLOYMENT.	VALUE
Philip Parsell,	For thirty-eight days' work, done on National road in Maryland, cleaning ditches, putting on gravel, &c, -	$38 00
M. McAtee,	For thirty-eight days' work, done on National road in Maryland, cleaning ditches, filling up ruts and putting on stone and gravel—and eighteen and three-quarters cents, for blacksmith work done, - - - -	38 18¾
Benj. Parker,	For blacksmith work done for the use of the National road in Maryland,	3 87½
Peter Caster,	For blacksmith work done for the National road in Maryland, sharpening picks, &c. - - - -	7 16
Jo. Everstine.	For work done with horse and cart, by the day, - - - -	57 75
	Work done by putting stone on the National road in Maryland, by the day,	6 00
	Also, cash paid for powder for blasting,	4 37½
Downey,	Thirty-five and a-half days work, -	35 50
Cob,	Thirty-four and a-half days work, -	34 50
A. McCardy,	For quarrying, hauling, breaking, and putting on a quantity of stone on the National Road in Maryland, -	90 00
M. Sherry,	For quarrying, hauling, breaking, and putting on a quantity of stone on the National Road in Maryland, -	110 00
M. Sherry.	For quarrying, hauling, breaking, and putting on a quantity of stone on the National Road in Maryland, as per contract, - - - -	100 00
		$525 34¾

AN ABSTRACT

Of Disbursements on account of Repairs on the National Road in Maryland, from the 20th of July to the 20th of August, 1841.

TO WHOM PAID.	NATURE OF EMPLOYMENT.	VALUE.
Paul Butler,	For services as toll collector, on the National road in Maryland, for three months, ending on the 20th August, 1841, - - - - -	$75 00
A. McCardy,	For hauling, breaking, and putting on stone on the National Road in Maryland, - - - - -	70 00
		$145 00

AN ABSTRACT

Of Disbursements on account of Repairs on the National Road in Maryland, from the 20th of August to the 20th of September, 1841.

TO WHOM PAID.	NATTURE OF EMPLOYMENT.	VALUE.
James Percy,	For quarrying, hauling, breaking, and putting on a quantity of stone by the perch, on section 1, - -	$100 00
M. Sherry,	For quarrying, hauling, breaking, and putting on the National Road in Maryland, a quantity of stone, on the 4th section, - - -	100 00
M. Sherry,	For quarrying, hauling, and putting on a quantity of stone on the National Road in Maryland, on the 4th section, - - - - -	250 00
		$450 00

Maryland, Allegany county, to wit:

The undersigned, having been appointed by the Executive of Maryland, auditor, to audit the accounts of the superintendent of the National Road in Maryland, do hereby certify, that after being duly qualified, I have carefully examined the several vouchers exhibited to me by Thomas Thistle, superintendent, and find them to correspond with the aforegoing, as it stands.

Given under my hand this 20th day of November, 1841.

GEORGE BRUCE.

AN ABSTRACT

Of the Disbursements on account of Repairs of the National Road in Maryland, from the 20th of September to the 20th of October, 1841.

TO WHOM PAID.	NATURE OF EMPLOYMENT.	VALUE.
Josiah Porter,	For hauling and filling up ruts on the National Road in Maryland, -	$18 80
Levi Dear,	For two days' work on the National Road in Maryland, filling up ruts,	2 00
M. McAtee,	For seventy and a-half days' work on the National Road in Maryland, cleaning ditches, putting on stone, filling up ruts, &c. - - -	70 50
M. Sherry,	For hauling, breaking, and putting on stone on the National Road in Maryland, on the 4th section, as per contract, - - - -	130 00
A. McCurdy,	For quarrying, hauling, and putting on stone on the National Road in Maryland, on the 5th section, - -	95 00
		$316 30

AN ABSTRACT

Of Disbursements on account of Repairs on the National Road in Maryland, from the 20th of October to the 20th of November, 1841.

TO WHOM PAID.	NATURE OF EMPLOYMENT.	VALUE.
J. Everstine,	For quarrying, hauling, breaking, and putting on stone on the National Road in Maryland, on the 1st section, by the perch, - - - -	$60 00
G. Mattingly,	For repairing a wheel-barrow for the use of the road, - - -	1 62½
Levi Wett,	For repairing a wheel-barrow for the use of the road, - - -	2 00
James Percy,	For quarrying, hauling, and putting on the National Road in Maryland a quantity of stone, on section 1st, as per contract, - - -	100 00
John Wright,	For work done on the National Road in Maryland, filling up ruts, and breaking stone, &c. - - -	8 00
	Carried forward, -	$

AN ABSTRACT.—(*Continued.*)

TO WHOM PAID.	NATURE OF EMPLOYMENT.	VALUE.
	Brought forward, -	$
J. McDavid,	For hauling, breaking, and putting on stone on the National Road in Maryland, as per contract, - -	132 34
John Ferrall,	For quarrying, hauling, breaking, and putting on the National Road in Maryland, two hundred and twenty perch of stone, on the 6th section,	127 60
Adam Yeast,	For quarrying and hauling on the National Road in Maryland, one hundred and forty-three perch of stone, at forty-nine cents per perch, and for putting the same on the road, and work done at the same time with wagon and horses, at six dollars and fifty cents per day, -	76 57
J. Everstine,	For quarrying, hauling, breaking, and putting on the National Road in Maryland, on section 1st, one hundred and forty-four perch of stone at seventy-three cents per perch, and putting the same on the road at nine cents. and also for putting on the said road two hundred and sixteen perches of stone, at nine cents per perch, (this includes all the work done by the perch, and the balance due him,)	77 52
Phillip Pursell,	For work done on the National Road in Maryland, along the whole line, by cleaning ditches, filling up ruts, putting on stone and gravel, &c. -	90 50
James Percy,	For quarrying, hauling, breaking, and putting on the National Road in Maryland a quantity of stone, on the 1st section four hundred and fourteen perches, and for putting the same on the road, at nine cents per perch, and for cutting a tree out of the road, fifty-two cents; this being the balance due him, - - -	200 00
Paul Butler,	For services as collector of toll on the National Road in Maryland, for three months, ending 20th of Nov. 1841,	75 00
	Carried forward, -	$

AN ABSTRACT.—(*Continued.*)

TO WHOM PAID.	NATURE OF EMPLOYMENT.	VALUE.
	Brought forward, -	$
H. Watters,	For blacksmith work done for the use of the road, sharpening picks, &c.	2 50
A. McCurdy,	For hauling, breaking, and putting on stone, on the National Road, and for putting the same on, - -	100 00
G. Clary,	For quarrying, hauling, breaking, and putting on the National Road in Maryland, section 2nd, one hundred and ninety-eight perches of stone, at sixty-nine cents per perch, and for putting the same on the road, - -	154 44
M. Sherry,	For quarrying, hauling breaking, and putting on the National Road in Maryland, section 3rd and 4th, one thousand, nine hundred and forty-six perches of stone, at fifty-eight and seventy-four cents per perch, and for putting the same on the road, at nine cents, this being the balance due him on this contract, - -	778 55
George Bruce,	For two days attendance as auditor, to examine the accounts of the superintendent of National Road in Maryland,	4 00
A. McCurdy,	For quarrying, hauling, and putting on eight hundred and four perches of stone, on the National Road in Maryland, on section 5, at fifty-eight cents, and for putting the same on the road at nine cents per perch, this being the balance due him, - -	183 68
T. Thistle,	For services as superintendent of National Road in Maryland, ending 20th November, 1841, for six months,	250 00
Dan. Tarney,	For six days' work, done with one hand on the National Road in Maryland, and three days' work on the same with horse and cart, filling up ruts,	10 50
		$3908 46
	Balance on hand, -	468 11
		$4376 57

THOMAS THISTLE, *Superintendent.*

State of Maryland in account with Thomas Thistle, Superintendent of the National Road in Maryland.

1841.	To amount paid from 20th November to 20th June, . .	$37 00
	" " July, . .	525 34
	" " August, . .	145 00
	" " September, .	450 00
	" " October, . .	316 30
	" " November, .	2,434 82
		$3,908 46
	Balance on hand, . .	468 11
		$4,376 57

THOMAS THISTLE, *Superintendent.*

1841.	By amount of tolls received from the 20th of May to the 20th of November,	$4,329 99
	Balance on hand from the 20th of May, 1841,	46 58
		$4,376 57

THOMAS THISTLE, *Superintendent.*

There will be a small amount of money on hand after paying the contractors for all the work done after the 20th of November, 1841.

THOMAS THISTLE, *Superintendent.*

Maryland, Allegany county, to wit:

The undersigned, having been appointed by the Executive of Maryland auditor, to audit and examine the accounts of the superintendent of the National Road in Maryland, do hereby certify, that after being duly qualified, I have carefully examined the several vouchers exhibited to me by Thomas Thistle, superintendent, and find them to correspond with the aforegoing as it stands.

Given under my hand, this 21st day of November, 1841.

GEORGE BRUCE.

EIGHTH SEMI-ANNUAL REPORT.

October 17th, 1842.

DEAR SIR:

I herewith transmit to you, my eighth and last report as superintendent of the National road in Maryland, and are happy to inform you, as you will see by my report, that I have left the road entirely out of debt, and in a tolerably good state of repair.

I am dear sir, respectfully yours

THOMAS THISTLE.

To His Excellency, FRANCIS THOMAS, *Governor of Md.*

ABSTRACT OF TOLLS

Received on the National Road in Maryland, from the 20th of November, 1841, till 20th July, 1842.

Received during the month of	Nqvember,	$166 00
"	December,	877 50
"	January,	285 12
"	February,	
"	March,	287 00
"	April,	223 00
"	May,	
"	June,	316 00
"	July,	34 80
		$2,189 42

THOMAS THISTLE, *Superintendent.*

I certify, that the above amount of $2,189 42, has been received by me for tolls, on the National Road in Maryland, during the time specified, and that the same has been paid to Thomas Thistle, superintendent of said Road.

PAUL BUTLER,

CUMBERLAND, *July 24th*, 1842.

Maryland, Allegany county, to wit:

Personally appeared before the subscriber, one of the justices of the peace, in and for the county aforesaid, Paul Butler, and made oath according to law, that the preceding paper is true, to the best of his knowledge and belief.

Sworn before, JOHN WOLFE.

DISBURSEMENTS

For repairs on the National Road in Maryland. From 20th December till 20th January, 1842.

TO WHOM PAID.	NATURE OF EMPLOYMENT.	VALUE.
T. J. McKaig,	For advice in case of drovers who avoided the toll gate, - - -	$5 00
C. Holtzman,	For stopping drovers who turned off the road below Frostburg, and compelling them to pay toll or go back, and for work done on said road,	15 50
Levi Dean,	For one day's work repairing rut and cutting a tree out of the road, -	1 00
A. McCurdy,	For cutting a tree out of the road,	1 00
Geo. Bruce,	For auditing superintendent's accounts up to 1st February, - - -	2 00
J. Everstine,	For quarrying, hauling and putting on said road sixty perches of stone,	46 80
		$71 30

DISBURSEMENT

For repairs on the National Road in Maryland, from the 20th of January till the 20th of February.

TO WHOM PAID.	NATURE OF EMPLOYMENT.	VALUE.
Philip Pursell,	For cleaning ditches, filling up ruts, and cutting a tree out of the road, -	$8 50
S. Charles,	For publishing seventh semi-annual report of superintendent of said road in Civilian, - - - - -	16 00
J. Wickard,	For publishing the same in the Alleganian, - - - - -	16 00
Peter Stark,	For one day's work filling up ruts, &c.,	1 00
J. Everstine,	For work by the day with carts at one dollar and fifty cents per day—wagons at three dollars per day—and putting on stone at seventy-three cents per perch, - - -	300 00
J. Huddleson,	Present superintendent of the National road—cash paid over, - -	1000 00
		$1,341 00

DISBURSEMENT

For Repairs on the National Road in Maryland.

DATES.	TO WHOM PAID.	NATURE OF EMPLOYMENT.	VALUE.
1842. From 20th Feb. to 20th March.	F. Shipley,	For repairing pavement in Cumberland -	$5 50
"	James Percy,	For quarrying, hauling, breaking and putting on a quantity of stone, as per contract, - -	282 33
"	M. Sherry,	For forty perches of stone broken and put on road,	28 20
"	J. Everstine,	For quarrying, hauling, breaking and putting on the road a quantity of stone, as per contract,	125 28
From 20th Mar. to 20th April.	- -	Nothing paid,	
From 20th April to 20th May.	J. Huddleson,	Present superintendent of road—cash paid over,	452 00
From 20th May to 20th June.	Do.	Present superintendent of road—cash paid over,	251 00
From 20th June to 20th July.	Paul Butler,	For two months and ten days services, as toll collector, - - -	58 00
"	J. Wickard,	Publishing eighth semi-annual report of superintendent in Alleganian,	5 50
"	T. Thistle,	As superintendent of road for two months and ten days' services, up to 1st February, 1842, -	97 21
"	S. Charles,	Publishing eighth report of superintendent in Civilian, - - -	5 50
			$607 52

Maryland, Allegany county to wit:

The undersigned having been appointed by the Executive of Maryland, auditor, to audit the accounts of the superintendent of the National Road in Maryland, do hereby certify, that after being duly qualified, I have carefully examined the several vouchers exhibited to me by Thomas Thistle, superintendent, and find them to correspond with the aforegoing, as it stands stated.

Given under my hand this twentieth day of July, 1842.

GEORGE BRUCE.

RECAPITULATION.

State of Maryland in Account with Thomas Thistle, Superintendent of National Road in Maryland.

To amount paid during the month of November,		— —
" " December,		$71 30
" " January,		1,341 50
" " February and March,		441 31
" " April,		— —
" " May,		452 00
" " June,		251 50
" " July,		166 21
		$2,723 82

THOMAS THISTLE, *Superintendent.*

Amount of tolls received from twentieth of November till twenty-fourth of July, 1842, was $2,189 42, which with a balance on hand of $468 11, at date of the report, makes	$2,657 53
Balance due Thomas Thistle of moneys collected,	66 28
Amount of tolls uncollected,	466 61
Amount over-paid by Thomas Thistle,	66 28
	$400 32

I do hereby certify, that the sum of $466 61, of tolls remain in the hands of individual, and is yet to be collected, $400 32½ of which amount will, as soon as collected, be paid over to Jonathan Huddleson, superintendent of National Road in Maryland.

July 24th, 1842. PAUL BUTLER.

THOMAS THISTLE.

Late Superintendent of National Road in Md.

[Document G.]

BY THE HOUSE OF DELEGATES,
January 20th, 1843.
Read and ordered to be printed.

REPORT

OF THE

TREASURER OF THE WESTERN SHORE,

COMMUNICATING A LIST OF THE

SALARIED OFFICERS OF THE STATE.

WESTERN SHORE TREASURY,
Annapolis, January 12th, 1843.

To the Honorable,

The House of Delegates:

The Treasurer, in obedience to their order of the 9th inst., communicates the accompanying lists of all the salaried officers of this State, in pursuance of its Constitution or acts of Assembly—stating the salary of each, and the additional compensation of such of them as are understood to receive any; as far as comes to his knowledge.

Most repectfully their obedient servant,

GEORGE MACKUBIN,
TREAS. W. S. MD.

PUBLIC OFFICERS OF MARYLAND, January 12th, 1843.

IN PURSUANCE OF THE CONSTITUTION.	THEIR SALARIES.
His Excellency, Francis Thomas, Governor,	$4,200 00
John C. Legrand, Esq., Secretary of State,	2,000 00
The Hon. Theodorick Bland, Chancellor and Judge of the Land Office,	3,400 00
" John Stephen, Chief Judge, 1st Judicial District,	2,200 00
" Edmund Key, Asso. Judge, do. do. do.	1,400 00
" Clement Dorsey, do. do. do. do. do.	1,400 00
" Ezekiel F. Chambers, Chief Judge, 2nd Judicial District,	2,200 00
" Philemon B. Hopper, Asso. Judge, do. do. do.	1,400 00
" John B. Eccleston, do do. do. do. do.	1,400 00
" Thomas B. Dorsey, Chief Judge, 3rd Judicial District,	2,200 00
" Nicholas Brewer, Asso. Judge, do. do. do.	1,400 00
" Thomas H. Wilkinson, do. do. do. do. do.	1,400 00
" Ara Spence, Chief Judge, 4th Judicial District,	2,200 00
" Brice J. Goldsborough, Asso. Judge, do.	1,400 00
" William Tingle, do. do. do.	1,400 00
" John Buchanan, Chief Judge, 5th Judicial District,	2,500 00
" Abraham Shriver, Asso. Judge, do. do. do.	1,400 00

" Thomas Buchanan, do. do. do. do. do.	1,400 00
" Stevenson Archer, Chief Judge, 6th, Judicial District,	2,200 00*a*
" John Purviance, Asso. do. do. do. do.	1,400 00*a*
" Richard Magruder, do. do. do. do.	1,400 00*a*
George Mackubin, Treasurer Western Shore,	2,000 00*b*
Pere Robinson, Esq. Treasurer Eastern Shore,	450 00
Joseph H. Nicholson, Esq. Clerk Senate,	300 00*c*
John Nick. Watkins, Esq. Clerk House of Delegates,	300 00*c*
John N. Watkins, Esq. Adjutant General,	500 00
	$43,450 00

GEORGE MACKUBIN, TREASURER, W. S. MD.

a The Judges of the 6th Judicial District, in addition to their salaries, receive in equal shares the amount quarterly, of certain taxes on proceedings in their courts—and the quarterly amount of these known to the Treasurer, is $600.

b The Treasurer of the Western Shore, in addition to his salary, is allowed a commission of half per centum on his receipts, for the several funds confided to his care—which is charged upon the funds ratably, and is limited to $500 a year.

c The Clerks of the Senate and House of Delegates, in addition to their salaries, receive $4 per diem, during each session, and such additional compensation as each General Assembly directs,—amounting yearly to about $400. Their perquisites for copies, he has no means of estimating.

PUBLIC OFFICERS OF MARYLAND, January 12th, 1843.

IN PURSUANCE OF ACTS OF ASSEMBLY.	THEIR SALARIES.
The Honorable Nicholas Brice, Chief Judge of Baltimore City Court,	$2,400 00
George Cook, Esq. Commissioner of Lotteries,	1,250 00
Michael McBlair, Esq. do. do.	1,250 00
John Waring, Tobacco Inspector in Baltimore, at warehouse No. 1,	1,200 00
Joseph S. Wilson, do. do. do. 2,	1,200 00
Nicholas Dorsey of L., do. do. do. 3,	1,200 00
Richard H. Griffith, do. do. do. 4,	1,200 00
J. A. Magruder, Clerk, at Tobacco warehouse, No. 1,	750 00
John T. Heighe, do. do 2,	750 00
G. D. Tewksbury, do. do. 3,	750 00
Robert Dade, do. do. 4,	750 00
William Camden, and al., Clerks of the Treasurer of the Western Shore,	750 00
John H. T. Magruder, Esq. Librarian,	1,000 00
Martin F. Revell, Messenger to the Governor, and Keeper of the State House,	450 00
———— Armorer at Annapolis,	500 00
Ezra Hoffman, Armorer at Frederick,	300 00
Henry Thomas, Armorer at Easton,	300 00

Henry Hobbs, Esq. Examiner General Western Shore, his fees deducted,	600 00
G. Turbitt, Esq. Examiner General Eastern Shore, his fees deducted,	150 00
	$16,750 00

d The Librarian, in addition to his salary, receives an allowance of $75 a year, for purchasing, &c., the stationery required for the use of the State.

e The Governor's Messenger, and the Armorers, also, he understands, receive, in addition their salaries, a commission on disbursements by them, for the service of the State—but to what amount, the Treasurer has no means of stating or estimating.

[Document H.]

BY THE HOUSE OF DELEGATES,
January 14th, 1843.

Read and ordered to be printed.

REPORT

OF THE

COMMITTEE ON CLAIMS,

IN REFERENCE TO THE

TREASURER'S ANNUAL REPORT.

REPORT.

BY THE COMMITTEE OF CLAIMS.

Your committee report that they have examined the proceedings and documents of George Mackubin, Treasurer of the Western Shore of Maryland, and find from an account settled to 1st Dec. 1841, by the Committee of Claims of the last General Assembly, there then remained in the treasury ninety-one thousand four hundred and seventy-eight dollars and thirty-three cents—that it appears to your committee, by the accounts of the said treasurer, he has received from 1st Dec. 1841, to 1st Dec. 1842, $542,909 77 cents, viz:

On account of	
Auction duties,	$40,188 01
Bank stock—for dividends,	26,516 66
Costs of suits,	60 61
Fines and forfeitures,	3,092 77
Interest on personal accounts,	1,835 77
Licenses—to auctioneers,	7,280 00
" by the clerks of the county and Baltimore city courts,	67,966 44
" by the commissioners of lotteries,	6,000 00
Miscellaneous expenses—for repayments,	305 25
Road stock—for dividends,	27,752 50
State lotteries,	4,171 52
State 6 per cent. stock,	4,893 64
State tobacco inspection in Baltimore,	28,746 39
Tax for colonization,	4,907 51
Taxes for the use of the colonization society,	742 52
Taxes in chancery,	412 20
Taxes on foreign insurances,	433 88
Taxes on plaintiffs,	5,039 25
The Annapolis and Elk Ridge Rail Road Co.	512 00
The Baltimore and Ohio Rail Road Co.	20,500 26
The Baltimore and Susquehanna Rail Road Co.	10,000 00
The direct tax,	254,352 82
The Eastern Shore Treasury,	20,984 03
The inspection of plaster of paris,	296 25
The Land Office,	1,376 27
The State's hay scales in Baltimore,	565 53
The State's live stock scales in Baltimore,	2,309 37
The State's Pratt street wharf in Baltimore,	622 71
The tobacco inspection fund for P. George's Co.	1,045 61
	$542,909 77

That it appears to your committee the said treasurer has disbursed in the the same time, the sum of five hundred and seventy-five thousand five hundred and twenty-nine dollars and eighty-seven cents, viz:

On account of	
Civil officers,	$13,242 03
Colleges, academies and schools,	20,100 00
Commission,	358 77
Contingent expenses,	3,648 19
Indemnity 5 per cent. stock,	7,390 46
Indian annuities,	66 66
Interest on the public debt,	29,759 00
Loans of 1841—for account of principal,	272,994 52
" " of interest,	19,747 42
Miscellaneous expenses,	12,655 59
Pensions,	12,208 43
State colonization,	10,000 00
State tobacco inspection in Baltimore,	7,800 00
Surplus revenue—for acc't of the interest thereof for schools,	20,442 99
The Annapolis and Elkridge Rail Road Co.	512 00
The Baltimore and Susquehanna Rail Road Co.	4,893 64
The Chesapeake Steam Towing Co.	12,609 54
The indigent deaf and dumb,	2,078 94
The Judiciary,	38,492 43
The Legislature,	53,776 56
The Library,	704 47
The Maryland Hospital,	5,000 00
The Militia,	2,838 26
The Penitentiary,	10,000 00
The sinking fund,	10,195 51
The State Colonization Society,	928 50
The State's tobacco warehouses in Baltimore,	2,371 60
The tobacco inspection fund for P. George's Co.	714 36
	$575,529 87

For all of which payments he has produced to your committee satisfactory vouchers.

That it appears to your committee there remains in the treasury, as of 1st Dec. 1842, the balance of fifty-eight thousand eight hundred and fifty-eight dollars and twenty-three cents—which they find stands to his credit as treasurer, in the Farmers Bank of Maryland—and that it is subject to the following charges to that day, then remaining unpaid, viz:

For civil officers,	$3,450 00
For colleges, academies and schools,	1,400 00
For com. certain deputies of the Attorney General,	222 81
For expenses on account of the militia,	483 33
For Indian annuities,	77 60
For pensions,	2,856 18
For the Judiciary,	6,783 33
For the journals of ac'ts from 1839 to 1841 inclusive,	237 35
For the creditors of the Annap. & E. R. R. R. Co.	2,557 27
For the tobacco warehouse fund,	10,705 39
For the tobacco insp. fund for P. George's Co.	296 25
For the redemption of so much of the Monument 5 per cent. stock,	208 30
For the State Colonization So.—taxes for their use,	742 52
For so much of the appropriation for 1842 to augment the Library,	23 51
For loans of 1841,	128,203 51
For interest on them,	1,901 00
For the advance of the Messrs. Baring,	104,864 06
For interest on the public currency stock debt,	373,206 45
" on the sterling ditto,	311,171 66
Amounting to	$949,390 52

And exceeding the balance in the Treasury, 1st Dec. 1842, by the sum of $890,532 29 cents.

Your committee further report, that they have examined also the proceedings and documents of the said treasurer, in reference to the several funds confided to his care, and find from an account settled to 1st December 1841, by the committee of claims of the last General Assembly, there then remained in the Treasury, to the credit of the free schools' fund and the sinking fund, thirty thousand three hundred and forty-two dollars and sixty-nine cents cash.

That it appears to your committee, by the accounts of the said treasurer, he has received from 1st Dec. 1841, to 1st Dec. 1842:

On account of the free schools' fund, . . .	$54,058 93
And on account of the sinking fund, .	16,335 84
Amounting to	$70,394 77

That it appears to your committee the said treasurer has disbursed in the same time, the sum of sixty three thousand seven hundred and seventy-eight dollars and fifty cents, viz:

On account of the free schools' fund, he paid to certain counties &c. as set forth in the accompanying account current, ...	$47,386 12
And on account of the sinking fund he paid and invested	16,392 38
	$63,778 50

For all which payments and investments he has presented to your committee satisfactory vouchers.

That it appears to your committee there remains in the Treasury, as of 1st December 1942, to the credit of the free school's fund, a balance in cash of thirty six thousand nine hundred and fifty-eight dollars and ninety-six cents—and this sum too, they find stands to his credit as treasurer, in the Farmers Bank of Maryland.

All of which is respectfully submitted,

By order, EDWARD M. WISE, Clerk.

Dr. *The State of Maryland in account current with George Mackubin, Treasurer Western Shore.*

DISBURSEMENTS.	Dolls.	Cts.
To amount of disbursements from 1st December 1841, to 1st December 1842, on the following accounts, as per vouchers exhibited to and examined by the Committee of Claims, viz:		
Civil officers,	13,242	03
Colleges, academies and schools,	20,100	00
Commission,	358	77
Contingent expenses,	3,648	19
Indemnity 5 per cent. stock,	7,390	46
Indian annuities,	66	66
Interest on the public debt,	29,759	00
Loans of 1841—for account of principal,	272,994	52
" " of interest,	19,747	42
Miscellaneous expenses,	12,655	59
Pensions,	12,208	43
State colonization,	10,000	00
State tobacco inspection in Baltimore,	7,800	00
Surplus revenue U. S.—for account of the interest thereof for free schools,	20,442	99
The Annapolis and Elkridge Rail Road Company,	512	00
The Baltimore and Susquehanna Rail Road Company,	4,893	64
The Chesapeake Steam Towing Company,	12,609	54
The indigent deaf and dumb,	2,078	94
The Judiciary,	38,492	43

The Legislature,	53,776 56
The Library,	704 47
The Maryland Hospital,	5,000 00
The Militia,	2,838 26
The Penitentiary,	10,000 00
The sinking fund,	10,195 51
The State Colonization Society,	928 50
The State's tobacco warehouses in Baltimore,	2,371 60
The tobacco inspection fund for Prince Georges county,	714 36
	575,529 87
To balance in the Treasury, 1st December 1842,	58,858 23
	$634,388 10

Western Shore Treasury, Annapolis, 1st December 1842,

GEORGE MACKUBIN, Treasurer W. S. Md.

The State of Maryland in account current with George Mackubin, Treasurer Western Shore. Cr.

RECEIPTS,	Dolls.	Cts.
By balance in the Treasury, 1st December 1841,	91,478	33
By amount of receipts from 1st December 1841, to 1st December 1842,—$542,909 77, on the following accounts, viz:		
Auction duties,	40,188	01
Bank stock—for dividends,	26,516	66
Costs of suits,	60	61
Fines and forfeitures,	3,092	77
Interest—on personal accounts,	1,835	77
Licenses—to auctioneers,	7,280	00
" granted by the clerks of the county and Baltimore city courts,	67,966	44
" " by the commissioners of lotteries,	6,000	00
Miscellaneous expenses—for repayments,	305	25
Road stock—for dividends,	27,752	50
State lotteries,	4,171	52
State 6 per cent. stock,	4,893	64
State tobacco inspection in Baltimore,	28,746	39
Tax for colonization,	4,907	51
Taxes for the use of the colonization society,	742	52
Taxes in Chancery,	412	20
Taxes on foreign insurances,	433	88
Taxes on plaintiffs,	5,039	25

The Annapolis and Elkridge Rail Road Company,	512 00
The Baltimore and Ohio Rail Road Company—for account of ½ of receipts from Washington branch,	20,500 26
The Baltimore and Susquehanna Rail Road Company—for account of interest,	10,000 00
The direct tax,	254,352 82
The Eastern Shore Treasury,	20,984 03
The inspection of plaster of paris,	296 25
The Land Office,	1,376 27
The State's hay scales in Baltimore,	565 53
The State's live stock scales in Baltimore,	2,309 37
The State's Pratt street wharf in Baltimore,	622 71
The tobacco inspection fund for Prince George's county,	1,045 61
	$634,388 10
By balance in the Treasury, 1st December 1842,	$58,858 23

Western Shore Treasury, Annapolis, 14th January, 1843.

By the Committee of Claims—examined and passed,

THO'S. C. RISTEAU, Chairman.

Dr. *The State of Maryland, in Funds' account current with George Mackubin, Treasurer Western Shore.*

DISBURSEMENTS.	Free Schools' Fund.	The Sinking Fund.	Total.
To amount of disbursements from 1st December 1841, to 1st December 1842, on the following accounts—as per vouchers exhibited to an examined by the Committee of Claims, viz:			
Commission—in pur. of chap. 390 of 1838,	$233 77	206 16	
The indigent blind,	800 00		
Allegany County,	2,684 81		
Anne Arundel County,	1,756 44		
Baltimore County,	1,463 93		
Calvert County,	1,731 31		
Caroline County,	2,688 22		
Carroll County,	3,903 93		
Cecil County,	1,507 36		
Charles County,	2,536 12		
Frederick County,	2,314 95		
Harford County,	1,777 64		
Kent County,	1,585 05		
Montgomery County,	5,730 95		
Prince George's County,	2,943 56		

Queen Anne's County,	4,381 58		
Saint Mary's County,	1,553 45		
Somerset Connty,	1,506 52		
Talbot County,	1,763 33		
Worcester County,	4,523 20		47,386 12
The sinking fund,		16,186 22	16,392 38
To balance in the Treasury, 1st December 1842,	36,958 96		36,958 96
	$84,345 08	16,392 38	100,737 46

Western Shore Treasury, Annapolis, 1st December, 1842.

GEORGE MACKUBIN, Treasurer W. S. Md.

The State of Maryland in Funds' account current with George Mackubin, Treasurer Western Shore. Cr.

RECEIPTS.	Free Schools' Fund.	The Sinking Fund.	Total.
By balance in Treasury, 1st December 1841, - -	$30,286 15	56 54	30,342 69
By amount of receipts from 1st December 1841, to 1st December 1842, on the following accounts, viz:			
Free schools' fund—the tax from the banks, &c. - -	26,412 86		26,412 86
State 5 per cent. stock—for interest, - - -		3,237 09	3,237 09
Surplus revenue U. S.—part of the equivalent to the interest thereof, -	20,442 99		20,442 99
The sinking fund—from James Cole, State's wharfinger, -		1,872 74	1,872 74
" " from the Treasure Western Shore, - -		10,195 51	10,195 51
Bank of Baltimore, for dividends,	486 00	378 00	864 00
The Commercial and Farmers Bank of Baltimore, for do. -	2,051 00		2,051 00
The Farmers Bank of Maryland, for do.	3,771 00	652 50	4,423 50
The Farmers and Merchants Bank of Baltimore, for do. -	171 25		171 25
The Mechanics Bank of Baltimore, for do.	560 70		590 70
The Union Bank of Maryland, for do. -	163 13		163 13
	$84,345 08	16,392 38	100,737 46
By balance in the Treasury, 1st December 1842. - -	36,958 96		36,958 96

Western Shore Treasury, Annapolis, 14th January 1843.

By the Committee of Claims—Examined and passed, THO'S. C. RISTEAU, Chairman.

[Document I.]

BY THE HOUSE OF DELEGATES,
January 17th, 1843.
Read and ordered to be printed.

FOURTEENTH

ANNUAL REPORT

OF THE

PRESIDENT AND DIRECTORS

OF THE

CHEASAPEAKE AND OHIO CANAL COMPANY,

TO

THE STOCKHOLDERS,

WITH

THE PROCEEDINGS OF THE STOCKHOLDERS

IN GENERAL MEETING,

DURING THE YEAR EIGHTEEN HUNDRED AND FORTY-TWO.

ANNAPOLIS:
GEO. & WM. JOHNSTON, PRINTERS.
.....
1843.

CHESAPEAKE AND OHIO CANAL.

GENERAL MEETING.

MONDAY, JUNE 6, 1842.

Pursuant to the provisions of the charter of the Chesapeake and Ohio Canal Company, the fourteenth annual meeting of the stockholders of said company was held this day, at the office of said company, in the city of Frederick, Maryland.

On motion, Samuel Sprigg, Esquire, was appointed Chairman, and Thomas Turner, Secretary.

PRESENT:

The State of Maryland, by Samuel Sprigg, Allen Bowie Davis and John Van Lear, Esquires.

The Corporation of Georgetown, by Samuel McKenney, Esq. and sundry private stockholders.

Michael C. Sprigg, Esquire, President of the Company, presented the following report, in behalf of the President and Directors of the Chesapeake and Ohio Canal Company:

To the Stockholders of the Chesapeake and Ohio Canal Company:

In obedience to the requirements of the charter, the President and Directors of the Chesapeake and Ohio Canal Company present the fourteenth annual report. Amidst the gloom and embarrassments which surrounded us at the last annual meeting, we were cheered on by the confident belief that the next General Assembly of Maryland would remedy the defects in the act of the preceding session, "for the completton of the Chesapeake and Ohio Canal to Cumberland," which had rendered it unavailable; that ere this we should have reached the termination of our greatest difficulties; and that the canal now would be in rapid progress to the point proposed. In these reasonable expectations we have been sadly disappointed. With the view of enlisting the further aid of the State of Maryland, the president of the company, on the 8th day of January last, addressed a communication to the Executive of the State, to be laid before both branches of the Legislature. As that communication, and the documents which accompanied it, give a detailed description of the wants and condition of the company up to the 1st of December, 1841, the un-

dersigned begs leave to present a printed copy thereof, (marked exhibit A,) and to make it a part of this report. And, as in that exhibit the stockholders will find fully set forth all matters connected with the management and condition of the company up to the period alluded to, it is deemed superfluous to repeat them. In addition to the appeal which is therein made, the board of directors deputed two of its members to go to Annapolis, and communicate orally with the members of the Legislature, upon the subject of completing the canal, and to devise measures for that purpose. Accordingly, they in the early part of the session proceeded to the seat of Government, and, with their aid, a bill was framed, a copy of which (marked B) is herewith appended, and which, it was believed, if enacted into a law, would prove available. The Legislature adjourned, however, without passing any bill for the benefit of the canal. Of the causes which led to this unfortunate result, it is not our province, nor is it our intention, here to speak. It is sufficient that we state the fact, and that, from that date, those of the contractors who, having based their calculations upon the probability that some provision would be made by the Legislature for the prosecution of the work, had, upon their own responsibility, continued or renewed their operations, quite in despair, and the work is now wholly abandoned. The injurious consequence of this state of things to the canal interests may be readily understood; but it is difficult to conceive, and utterly impossible to describe, the distress occasioned by it, to the contractors, and all connected with them, in their pecuniary operations along the line.

On consideration of the depressed condition of the affairs of the company, the most rigid system of economy has been adopted, in all its various departments. All officers, not absolutely necessary to its management, have been dismissed, the salaries of others curtailed, and the wages of persons in the employment of the company, along the finished part of the line, so reduced as to correspond in some degree with wages elsewhere, and to enable us gradually to liquidate our indebtedness on that portion of the canal. The clerk's statement (C) shows the number of officers in the service of the company on the 31st of May last, and their rate of compensation; and that marked D exhibits the pay of officers in service on the 18th of June, 1841 and 1842, respectively. By referring to the latter, it will be seen that a reduction of $14,817.50 has been made in that branch of expenditure. A further diminution will be made in the course of a few more weeks.

The past year has furnished additional evidence of the strength of the canal, and of the care with which it has been constructed. No breach of any consequence has occurred during that time, nor has there been any material interruption to the navigation, from dam No. 6 to Georgetown. The tolls have consequently, notwithstanding the lightness of the late crop and the general depression throughout the country, increased, from the year ending on the 31st day of May, 1841, to the corresponding period of the

year 1842, $12,800; that is to say, for the year terminating on the 31st day of May, 1841, they amounted to $46,000, and on the 31st day of May, 1842, to the sum of $58,800. The appearance of the growing crops warrant the belief that in 1843, we shall find a greater augmentation, and that they will not fall far short of $80,000. This proof of the increasing trade is highly gratifying, nor is that of the durability of the canal structure less so, inasmuch as it brings with it also additional evidence of the fidelity of the engineers, the watchfulness of the superintendents and integrity of the contractors.

For the want of other means of meeting the current expenses of the company, repairing breaches, and occasionally affording some little relief to those of our creditors, whose wants are the most pressing, the board, on the 14th of April last, passed an order, directing the collectors to receive in payment for rent and tolls one-third in the scrip of the company, and the remaining two-thirds in current funds. The beneficial effect of this order, against which there is no complaint, has already been sensibly realized.

All experience has proved that the revenues of a canal do not depend so much upon a high rate of tolls as upon the quantities which, by a judicious regulation thereof, may be invited to it. The board of directors, with a view to promote the general interests of trade, and of so regulating the charges as to reduce the price, and thereby increase the consumption, passed an order, on the same day, lowering the rate of tolls upon plaster from two cents per too per mile, to which it had been raised by an order of the 15th March, 1841, to one and a half cent per ton per mile for the first twenty miles, and at the rate of one cent for any additional distance. There is already reason for believing that benefits will accrue from this reduction. With the same view, and to enable the coal region of Maryland, upon which the canal so much depends, to compete with other coal regions, a similar order was at the same time adopted in relation to mineral coal. On the 15th March, 1841, the toll on that article was increasad from a half cent to one cent per ton per mile; by that of the 14th April last, it is reduced to two-thirds of a cent. The still lower rate of tolls upon mineral coal on the Pennsylvania canals, and the cheapness of the Richmond coal in the markets of the District, rendered this reduction absolutely necessary. Let it be recollected, too, that, in all the calculations which have been hitherto made as to the probable revenue of the canal, coal has been set down at a half cent per ton per mile. Upon this branch of the report, we take leave further to remark that, under existing circumstances, it is not possible to fix permanently the rates of tolls.

Upon the application of Captain William Easby, an ingenious and enterprising citizen of Washington, permission has been granted him to run on the canal a newly invented steam passenger boat, of his own construction, free from toll until the 1st day

of January, 1844, upon the condition, however, that he pay the usual tolls for the transportation of freight, and that the banks of the canal are to suffer no abrasion from it. It is understood that the boat is nearly completed, and will shortly be ready for service, and the hope is sanguinely entertained, that in the course of the summer, or at furthest by the coming fall, a safe, pleasant, and cheap mode of conveyance will be afforded to those who may desire to pass between Hancock and the District, or the intermediate places.

The statement of the clerk, which is hereto annexed, (and marked E,) presents a view of the financial condition of the company on the 31st day of May ultimo. By that statement you will perceive that the liabilities of the company are,

On account of scrip oustsanding	$502,029 50	
Interest thereon - -	52,271 25	
		$554,300 75
Bonds - - -	75,488 50	
Interest thereon - -	4,587 68	
		80,076 18
Acceptance of drafts of contractors	137,182 34	
Interest thereon - -	11,328 90	
		148,511 24
Balance due contractors -	215,000 00	
For lands condemned -	43,000 00	
Other outstanding claims -	70,000 00	
		328,000 00
Interest to State of Maryland on loan - - - -	$2,000,000	$345,000 00
Total - -		1,455,888 17

And the statements of the Treasurer, which usually accompany the annual report to the stockholders, are presented herewith; that marked F, being the "general abstract of the receipts and expenditures of the company" to the 31st ultimo; G, the abstract of the receipts and disbursements in the year ending the same period; and H, a particular statement of the several descriptions of promissory notes issued by the company, outstanding 1st June, 1841, and of those which have been redeemed since that period, up to the 31st May, 1842.

You will also perceive, from both those marked F and G, that the claim against Messrs. Gittings, Swan and Gunton, still remains unsettled. All efforts to adjust that matter having proved ineffectual, a bill in chancery was filed against them in January last, by the counsel of the company, under an order of the board, to compel them to close their trust, and pay over the balance in their hands, in compliance with the terms of the deed by which the trust was created. As the law's delay defies calculation, we will not speculate upon the period when this unpleasant suit may be terminated, but hope for a speedy issue. Before concluding this report,

it may be proper to remark that, in conformity with the spirit of the resolution of the stockholders, in general meeting, on the 2nd day of April, 1841, all party influences have been scrupulously excluded from the management of the affairs of the company. The board of directors, as well as the subordinate officers along the line of the canal, have endeavored to look only to the interests of the company and the performance of their respective duties. A course of this kind cannot fail ultimately to obtain the approbation of all classes of the community, who have in view the public good, and not their own personal aggrandizement; and we have no hesitation in pledging the present administration of the company to a firm and steady adherence to it. The patronage of the company, in the hands of designing politicians, might become an engine of immense evil, not only to the company, but to the State in which it is dispensed, and therefore should be guarded with the utmost vigilance by those who have a supervisory power over the management of the company. It should also be curtailed, whenever it can be done without detriment. In this spirit, the board has acted during the past year. It is proposed, in further fulfilment of this object, to sell and dispose of all the lands of the company, which may not be wanted for canal purposes. A power is given to do this in the mortgages which were executed to the State of Maryland, the proceeds of which, however, are under the provisions of the deeds of mortgage, to be placed in the State Treasury. It is believed that the receipt of the bonds, acceptances, and scrip of the company, in payment for these lands, would prove alike beneficial to all concerned; and if the proposal meets with the approbation of the stockholders, it will be speedily carried into effect.

From the views herein presented, it will be perceived that the prospect of the Chesapeake and Ohio Canal Company are at present gloomy in the extreme. Without resources and without credit, with its property mortgaged, and its revenues pledged for a large amount, and apparently abandoned by all, it is still leftto "struggle" on as best it can, until different counsels prevails in the halls of legislation, and a higher appreciation of the importance of this great work takes hold of the public mind. That the time will come when the attention of those who have heretofore most largely embarked in the enterprise will be again powerfully and effectually directed to its completion to the proper terminus in Allegany county, notwithstanding all the disappointments of the past, we still tenaciously believe. Nor shall we ever yield our hopes, so long as the general good continues to be the professed end of public action, and State honor the cherished object of popular affection and support.

All which is respectfully submitted, on behalf of the President and Directors, by

MICHAEL C. SPRIGG, *President.*

JUNE 6, 1842.

The report having been read,

On the motion of Samuel McKenney, Esq. it was

Ordered, That it be referred, with the accompanying papers, to a committee of five, to be appointed by the chair.

The chair then nominated the following gentlemen to compose the committee, viz: Samuel McKenney, John Van Lear, G. Bond Wager, A. C. Cazenove, and Lewis Johnson, Esqrs.

On the motion of John Van Lear, Esq. it was

Resolved by the stockholders, in general meeting, on the sixth June, one thousand eight hundred and forty-two, That it be recommended to the President and Directors to sell such parts or parcels of land belonging to the company as may be dispensed with without injury to the company's works, and to receive in payment the issues of the company, or the acceptances or other obligations of the company; and that public notice, of at least twenty days, be given of the time and place of sale, and the conditions on which such sales will be made.

On motion, it was

Resolved, That this meeting now proceed to the election of president and directors for the ensuing year, the polls to be kept open for half an hour; and that the chair appoint three persons to be judges of the election and receive the votes.

The chair appointed Samuel McKenney, G. Bond Wager and John Van Lear, Esqrs.

Before the ballots were prepared and the election proceeded with,

On motion of A. Bowie Davis, Esq., the meeting was adjourned, to meet again on Thursday, the 23rd instant, at 12 o'clock, M.

SAMUEL SPRIGG, *Chairman.*

THOMAS TURNER, *Secretary.*

THURSDAY, *June* 23, 1842.

In conformity with the order of adjournment on the 6th instant, the stockholders in the Chesapeake and Ohio Canal Company assembled in general meeting this day, at the office of said company, in Frederick.

PRESENT:

The State of Maryland, by Samuel Sprigg, John Van Lear and Allen Bowie Davis, Esqrs.

The City of Washington, by Lewis Johnson, Esq.

Samuel Sprigg, Esq., Chairman, took the chair.

A majority of the committee to whom was referred, at the last meeting of the stockholders, the report of the president and directors, not being in attendance, no report was presented.

On motion of John Van Lear, Esq. the meeting was adjourned to Thursday, the 4th day of August next.

SAMUEL SPRIGG, *Chairman.*

THOMAS TURNER, *Secretary.*

THURSDAY, *August* 4, 1842.

According to the order of adjournment on the 23d June last, the stockholders in the Chesapeake and Ohio Canal Company met in general meeting this day, at 12 o'clock, M., at the office of said company, in the city of Frederick.

Samuel Sprigg, Esq. Chairman, took the chair.

PRESENT:

The State of Maryland, by Samuel Sprigg, Tench Tilghman, William N. Purnell, John Van Lear, Allen Bowie and Davis, Esqrs.

George Hoskins, Esq., Mayor of the City of Frederick, appeared before the meeting, and presented, in behalf of the citizens of Frederick, a memorial remonstrating against the removal of the office of this company from the city of Frederick.

The memorial having been read and considered, on the motion of General Tilghman, it was

Resolved, That this meeting deems it inexpedient to take any action on the subject of the memorial presented on behalf of the citizens this day.

Mr. Davis offered the following resolution:

Resolved, That all future general meetings of the stockholders of the Chesapeake and Ohio Canal Company, unless otherwise ordered, in conformity with the terms of the charter, shall be held at the office of the company in the city of Frederick.

Mr. Van Lear moved to amend the resolution by striking out the word "Frederick," which motion was rejected.

And the question recurring on the resolution as proposed by Mr. Davis, the same was adopted.

General Tilghman moved the following resolution:

Resolved, That ——— be appointed a committee to investigate the subject of raising funds to complete the canal to Cumberland, and to report at the next general meeting of the stockholders.

Which was adopted; and, on motion, the chair was directed to fill the blank in the resolution.

The chair filled the blank with the name of General Tench Tilghman.

Mr. Van Lear, from the committee to whom was referred the fourteenth annual report of the president, and accompanying papers, on the 6th of June last, presented the following report; which was read.

The committee to whom was referred the 14th annual report of the President and Directors of the Chesapeake and Ohio Canal Company, with the accompanying papers, at a general meeting of the stockholders of said company, convened at the office in Frederick, on Monday the 6th of June last, beg leave respectfully to report:

That, in execution of the trust confided to them, they have carefully examined the same, with the books and vouchers, as also the orders on which all the appropriations were founded, and have much pleasure in stating to the stockholders that the examination has satisfied them of the competency and integrity of the officers to whom this department of the company's business has been intrusted.

The committee would also report their entire approbation of the course pursued by the President and Directors during the past year, which has been surrounded with difficulties and embarrassments, the causes of which are familiar to the stockholders, and a repetition of them is considered unnecessary at this time. They can, however, be expressed in few words: the utter bankruptcy of the company, and the consequent want of means to do any thing connected with its interests.

From a statement laid before them, it appears that the board, in order to husband the limited means within their reach, have dismissed all the officers except such as are absolutely indispensable; and have materially reduced the compensation of the present incumbents; making the total amount of salaries paid to all in the employ of the company at this time $20,577, and showing a reduction, on the 1st of June, 1842, compared with the previous year, of $14,817.50.

The committee also state, for the information of the stockholders, that it appears from the books of the company that its present indebtedness, over any means for payment, amounts to the large sum of $1,232,053.23. Of this amount, the sum of $501,374.50 is in the small issues of the company generally denominated scrip; and it is gratifying to the committee to be able to state, that during the past year the issues above described have beeen reduced in amount $51,347.75—a large proportion of which was taken in for tolls.

The committee have also the gratification to state that the tolls, during the past year, amount to $58,649.20, exhibiting an increase, compared with the previous year, of $12,649.20; and this at a period of great agricultural distress, arising from an almost total failure of crops. If the committee can be permitted to speculate on the future, compared with the past, they would confidently predict an increase of tolls during the current year, of upwards of $40,000, should the present luxuriant harvest realize their expectations.

All which is respectfully submitted.

JOHN VAN LEAR, Jr.
LEWIS JOHNSON.

On motion, the report was adopted.

On the motion of Mr. Davis, it was

Resolved, That this meeting will to-morrow morning, at eight o'clock, proceed to elect a president and six directors, to serve until the first Monday in June next, or until others shall be appointed in their stead.

The meeting was then, on motion, adjourned until to-morrow morning, at 8 o'clock.

FRIDAY, *August* 5, 1842.

Pursuant to adjournment yesterday, the stockholders again assembled in general meeting this morning at 8 o'clock.

The chairman took the chair.

PRESENT:

The State of Maryland, by the same gentleman as on yesterday, and Charles S. Hammond, Esq., a private stockholder.

On motion, the chair appointed Messrs. Purnell, Davis and Hammond, to be judges of election, the polls to be open for half an hour.

On the expiration of the time for receiving the votes, Mr. Purnell made the following report:

FREDERICK, CANAL OFFICE, *August* 5, 1842.

The undersigned, having been appointed by the stockholders of the Chesapeake and Ohio Canal Company, in general meeting, to be judges of election of president and directors of said company for the ensuing year, do certify that the whole number of votes given at said election was 10,282. That, of the said number, there were voted—

For Michael C. Sprigg, as President, 10,282 votes.
For James M. Coale, as Directer, 10,282 votes.
For Frisbey Tilghman, Director, 10,282 votes.
For John P. Ingle, as Director, 10,282 votes.
For John O. Wharton, as Director, 10,282 votes.
For Daniel Burkhart, as Director, 10,282.
For William Price, as Director, 10,282 votes.

And that Michael C. Sprigg, having received a majority of the whole votes, as President, was duly elected President; and that James M. Coale, Frisbey Tilghman, John P. Ingle, John O. Wharton, Daniel Burkhart and William Price, having received a majority of the whole votes, as Directors, were duly elected Directors of said company until the first Monday in June next, or until successors should be elected.

WM. N. PURNELL.
A. B. DAVIS.
CHAS. S. HAMMOND.

On motion, it was

Ordered, That when this meeting adjourns this day, it stands adjourned until the 15th day of September next.

Mr. Van Lear offered the following resolution:

Resolved by the stockholders, in general meeting, this fifth August, one thousand eight hundred and forty-two, That the resolution adopted in general meeting on the 6th June, 1842, be amended in such a manner as to conform to the action of the president and directors on the 21st July, 1842, so far as regards the notice to be given for the sale of such property, belonging to the company, as is expressed in the resolution referred to.

General Tilghman offered the following as a substitute:

Resolved, That the resolution passed on the 6th June last, in regard to the sale of lands belonging to this company, be, and the same is hereby repealed.

The question being taken, the substitute was rejected; and the question recurring on the resolution as offered by Mr. Van Lear, the same was adopted.

On motion, it was

Ordered, That the proceedings of this meeting, embracing the proceedings of each day since the 6th of June last, be printed in pamphlet form.

On motion, the meeting then adjourned, to meet again on the 15th of September next.

SAMUEL SPRIGG, *Chairman*.

THOMAS TURNER, *Secretary*.

APPENDIX.

A.

Communication from the President of the Chesapeake and Ohio Canal Company to the Governor of Maryland, with an appendix. December session, 1841.

OFFICE OF THE CHESAPEAKE AND OHIO CANAL CO.
Frederick, January 8, 1842.

SIR: The large interest which the State of Maryland possesses in the Chesapeake and Ohio Canal Company, and a conformity with the practice of my predecessors in office, induce me, as president of the company, to communicate to you, to be laid before the two Houses of the General Assembly of Maryland, such information as may enable them to understand the condition and prospects of the company.

An order was passed by the House of Delegates on the 1st instant, calling upon the president of the company for certain specific information in regard to the affairs of the company. A communication in reply to that call has been sent to the House, embracing full and particular answers to all the inquiries contained in the order, and a copy of the same is herewith communicated, and will be found in the appendix, (marked A.) As it covers most of the matters interesting to the authorities of the State, the undersigned considers a reference to it as proper, and as superseding the necessity of repeating its contents in this communication.

The entire length of the line of the canal, from Georgetown to Cumberland, is one hundred and eigthty-four and a half miles.—One hundred and thirty-four and a half miles of this, extending from Georgetown to dam No. 6, near the mouth of the Great Cacapon, are finished and navigable. Thirty-one and seven-tenths miles of the remaining fifty have also been completed in unconnected sections; but, owing to the location of the residue, the same cannot be used until the whole is finished. Of the entire line, there remains at this time unfinished only eighteen and three-tenths miles, which, when finished, will complete the canal from Georgetown to Cumberland.

From a careful and accurate survey and estimate, made by the chief engineer and his assistants, during the past year, the results of which will be seen in report of the chief engineer, under date

of the 20th ult., contained in the appendix marked B, and which he has verified by his oath in the communication to the House of Delegates referred to, *the whole amount required to complete this unfinished portion of the canal is one million fire hundred and ninety-one thousand one hundred and thirty-six dollars.* As much distrust has been entertained by the Legislature of Maryland, in former years, in regard to the amount of money called for as being necessary and sufficient to complete the canal to Cumberland, the Board, in November last, invited proposals for completing the unfinished portions, with a view of furnishing conclusive evidence on the subject. In compliance with this invitation, a very large number of bids have been made, and the undersigned is gratified in being able to give the most confident assurance *that the whole unfinished parts of the canal can immediately be let, under contract, to responsible contractors, for an amount within the estimate of the chief engineer, as above mentioned.* But comparatively small as this amount is, the company are totally destitute of the means of providing it without the aid of the General Assembly of Maryland.

By the statements of the clerk, contained in the appendix, (marked C and D,) it will be seen that the entire indebtedness of the company, on the 1st April, 1841, was - $1,208,438 44
And that the funds in hand, and outstanding claims on that day, were - - - 258,650 99

Balance deficit, 1st April, 1841, - - $949,787 45

That the entire indebtedness of the company, on the 1st December, 1841, was - - $1,400,931 97
That the funds in hand, and outstanding claims on that day, were - - - - 204,531 42

Balance deficit, 1st December, 1841, - $1,196,400 55

The whole indebtedness of the company on the 1st of December, 1841, over and above what are claimed as the means of the company, will thus be seen to amount to the sum of $1,196,400.55. The claims embraced in what are thus regarded as the means of the company consist of—

Balance in the hands of Messrs. Baring, Brothers & Co., estimating the bonds in their hands at 72 per cent. - - - - $77,287 06
Balance claimed in the hands of Messrs. Swan, Gittings, and Gunton, trustees appointed in April, 1840, to redeem scrip, - - - 56,192 52
Due from stockholders, presumed good, - - 50,215 00
Cash in the treasury, - - - - 527 74
Advance to commissioners appointed by the Executive of Maryland to sell sterling bonds, - 8,000 00
Balance in transitu from collectors, - - 10,620 00

Maryland 5 per cent. sterling bonds not yet issued, estimated at 80 per cent. - - - -	1,689 00
Making the entire claims of the company, on the 1st December, 1841, - - - -	$204,531 42

Of this sum, but little can be regarded as available, nor are the company able to realize present relief from any portion of the outstanding claims above mentioned. The last advance made by the Messrs. Baring, Brothers & Co., on the bonds which had been placed in their hands by our predecessors in office, was received in September last, to the amount of ten thousand pounds sterling, from which the company realized, in current funds, the sum of forty-nine thousand nine hundred and seventy-two dollars and ninety-six and a half cents. This money, with the exception of a small sum applied to the payment of officers' salaries, was immediately disbursed among the contractors, for work done on the canal, in due proportions, according to the amount of their respective claims. The company had great difficulty in obtaining from the Messrs. Baring, Brothers and Co., the sum above mentioned, and, in view of the reduced price of the State bonds since that time, cannot calculate upon any further advances, under existing circumstances. In regard to the balance of the trust fund in the hands of Messrs. Swan, Gittings and Gunton, the undersigned has nothing to add to what has been heretofore stated in the Thirteenth Annual Report of the President and Directors to the Stockholders of the company, made on the 9th of June last, and which will be found in the appendix (marked E,) except that all efforts at a just compromise having proved ineffectual, the board have ordered legal proceedings to be instituted against the said trustees, to compel them to close their trust, according to the terms and provisions of the deed by which it was created.

Prior to the month of August last, the whole amount of tolls received were paid in canal scrip, which was not reissuable, and was consequently unavailable as a means of support in the hands of the company. In the midst of difficulties and embarrassments without example, and with no money whatever, and no other source from which any could then be procured to meet the pressing and indispensable demands of the company, the board, on the 15th of July last, passed an order, a copy of which will be found in the appendix (marked F,) directing the several collectors of tolls to require at least one-third of the tolls received by them to be paid in current or available funds. This order, which went into operation on the first day of August following, was immediately and cheerfully complied with by all the parties interested, and the undersigned is happy to say that the effect of it has proved most salutary to the company.

The whole amount of tolls received from the first day of December, eighteen hundred and forty, to the first day of December, eighteen hundred and forty-one, ii fifty-two thousand five hundred

dollars. This presents a steady and gratifying increase upon former years, and the undersigned feels assured that the advance will continue to be progressive in a greatly increased ratio for the future.

On the first day of April last, there was in circulation of the scrip issued prior to 1840, - -		$15,459 50
Of the issue of 1840, - - - -		555,400 00
Total, - - - - -		$570,859 50
Since that time, and up to the first day of December, 1841, there has been redeemed and destroyed of the issue prior to 1840, -	$900 25	
Of the issue of 1840, - -	48,620 00	
Total amount redeemed and destroyed,		$49,502 25
Leaving still unredeemed of the issue prior to 1840, - - -	$14,559 25	
Of the issue of 1840, - -	506,780 00	
Whole amount of scrip unredeemed on the 1st December, 1841, - - - - -		$521,339 25

It is scarcely necessary to add, that the unredeemed scrip is embraced in the aggregate amount of the debts of the company, as stated in a preceding part of this communication. Much of it, particularly of that which was issued prior to 1840, has doubtless been destroyed, and will never return upon the the company.

The subscriptions to the capital stock of the canal company, up to this time, amount to the sum of eight million three hundred and fifty-nine thousand four hundred dollars, and are as follows:

	Amount subscribed.	Amount paid.
By the United States	$1,000,000 00	$999,990 00
By the State of Maryland	5,000,000 00	5,000,000 00
By the State of Virginia	250,000 00	250,000 00
By the Corporation of Washington	1,000,000 00	1,000,000 00
By the Corporation of Georgetown	250,000 00	250,000 00
By the Corporation of Alexandria	250,000 00	250,000 00
By individuals	609,400 00	457,518 36
Total subscribed	8,359,400 00	8,207,508 36
Total paid in	8,207,508 36	
Amount of subscriptions unpaid	151,891 64	

Of this balance unpaid, about fifty thousand is set down as separate, and likely to be paid; the residue is considered as lost and irrecoverable.

The State of Maryland also has a subscription to the stock of the company to the amountof a debt due the State from the old Po-

tomac company, with interest to the 16th May, 1825, making in the aggregate the sum of - - - $43,280 00

Also, 220 shares of stock transferred from the old Potomac company - - - - 120,444 44

$163,724 44

The company is also indebted to the State for two millions of dollars, loaned under the act of 1834, ch. 241, which the State has the right to convert into a subscription to the stock of the company at pleasure.

To secure the payment of this loan, with interest, and the interest on the subscriptions of the State, the Chesapeake and Ohio Canal Company has executed to the State of Maryland three several deeds of mortgage upon its capital stock and all its property. The first was executed on the 23rd of April, 1835, to secure the payment of the two million loan and interest, made under the act of 1834, ch. 241. The second was executed on the 15th May, 1839, to secure the interest on bonds issued in exchange of bonds previously issued under the act passed at the extra session in May, 1836, entitled "An act to provide ways and means to meet the subscriptions on the part of the State to works of internal improvements;" and the third deed of mortgage was executed on the same 15th May, 1839, to secure the interest on one million three hundred and seventy-five thousand dollars subscribed to the company under the act of December session, 1838, entitled "An act relating to the Chesapeake and Ohio Canal Company." All these mortgages remain open and in force, and the State has never yet taken any decisive measures to enforce her rights under and by virtue of them. By the 13th section of the act passed at the March session, 1841, ch. 30, the attorney general was directed to institute proceedings of foreclosure; but that act having failed to take effect, most unfortunately, as undersigned conceives, for the interests of this company, no steps were taken in regard to the matter.

In reference to the act alluded to, it may be sufficient to state, that the company made every effort to bring about a compliance with the conditions upon which it was made to depend, and deputed Colonel Coale, one of the directors of the company, to confer with the Treasurer of the Western Shore on the subject. He proceeded to Annapolis for that purpose, and had an interview with the Treasurer, the result of which is contained in his report made to the board on his return, a copy of which is in the appendix, (marked G.)

By the unfortunate failure to receive the aid intended by that law, the company was subjected, not only to the loss of at least one year's interest upon the whole cost of the work, but the most propitious period that had ever occurred since its existence for letting the contracts for the completion of the canal to Cumberland was suffered to escape, which, together with the losses always conse-

quent upon an abandonment, cannot, it is believed, have caused an aggregate loss so much short of a million of dollars. On the 7th of August last, immediately upon being satisfied of the fact that the law could not become operative, the board passed an order suspending all the work on the canal. There were, at that time, employed on the line about seven hundred laborers, all of whom have consequently been dismissed, with the exception of two hundred, who are now engaged on the tunnel and the two sections west of it; the contractors on these sections electing to go on with their work, and trust to the justice of the State for payment by future appropriations.

During the past year, the board of directors have pursued a rigid economy; they have curtailed salaries and reduced the number of officers, wherever it could be done without detriment to the interests of the company. No additions have been made to the number in the employ of the company, with the exception of the assistant engineers, rodmen, &c., whose services were necessary to the survey and estimate of the unfinished portion of the lines, in order that the board might konw with certainty the amount now required to complete the canal to Cumberland. By an order passed on the 7th day of August last, a copy of which will be found in the appendix, (marked H,) the president was authorised and directed to dismiss these, or any of them, from time to time, as their services could be dispensed with by the chief engineer, and by a resolution of the 17th September following, a similar direction was given to the chief engineer. Owing, however, to the great labor of the duties assigned to the engineer corps, and the minute accuracy with which they were required to make the survey and estimates, the same were not completed until within the last month; and the assistants are still engaged in aiding the chief engineer to project profiles of the work that yet remains to be done, so that the board may have before them an intelligible chart of the unfinished portion of the line, and be able to act understandingly when they are called upon to let out the same under contract. As this final duty is now nearly completed, all the supernumeraries will be discharged in the course of the present month. Those not actually in employ will be immediately dismissed from the service of the company. When all the contemplated reductions in the number of officers are made, as they soon will be, the current expenses of the company, for officers' salaries, will be further diminished by about five thousand dollars.

So much has been written and spoken in relation to the probable productiveness and value of the Chesapeake and Ohio Canal, when completed, not only to the region through which it passes, but to the State at large, that the undersigned conceives it hardly necessary to add any thing in this place to the various speculations that have been made on the subject. Having recently, however, obtained some valuable information in regard to similar works in the States of New York, Pennsylvania and Ohio, he deems it

proper to lay it before the Legislature of Maryland, for their consideration.

The Lackawana anthracite coal mines, at Carbondale, Pennsylvania, are $124\frac{8}{10}$ miles west of the Hudson river. They are approached by a canal which debouches at the Rondout, on the Hudson, a point 90 miles above the city of New York. This canal is 108 miles long from the Rondout to Honesdale, from which to Cardondale is $16\frac{8}{10}$ miles, by rail roads. Thus the distance from the mines at Carbondale to New York city is, by rail road $16\frac{8}{10}$ miles, by canal 108, and by the Hudson 90 miles; total $214\frac{8}{10}$ miles.

The mines are anthracite, the vein is thick, but at a considerable angle with the horizon. The coal requires blasting. Two miners get out eight tons per day, and one laborer takes it in small cars to the mouth of the mine, where it is received into the rail road cars. These small cars take about 2,500 lbs. each at a load, and the rail road cars each about $2\frac{1}{2}$ tons. The cost of mining and delivering into the rail road cars 60 cents per ton. There are about 370 men employed in mining.

The rail road has six inclined planes, the greatest inclination being 1 in 12. The plane next to the mine is worked by water power, and is 1,000 feet in length. The other five planes are worked by steam power, with engines of about 30-horse power each. Four cars are taken at on time up the planes, the return or empty cars being let down by the same process. Between the planes, or from one to another, a single horse takes five loaded cars. The ascent from the mines is about 1,000 feet, and the descent to Honesdale about the same. In descending towards Honesdale, after passing the planes, there are two *levels*, as they are termed, one of 6 and the other of 4 miles. The cars descend the first by gravity, 25 or 30 together, having other cars attached, with two horses each, to bring back the empty cars.

The grade of this level is 40 feet to the mile, and time occupied in descending is one hour. Over the second *level* a single horse takes down 5 cars, and returns with them empty. The cost over this road is 65 cents per ton; making the cost of mining and transporting to Honesdale $1.25 per ton.

To manage the transportation on the road requires 100 men, besides 20 carpenters for repairs. The road is built on trussel work, and in some places is 40 feet above the ground. Where horse power is used, the road is bridged. This is a cheap road to construct over a rough country, but expensive and cumbrous to transport upon. Hence the necessity of so many men to manage the transportation, and carpenters to keep it in order.

The canal is 4 feet deep by 36 wide, commences at Honesdale, and has six hundred feet of lockage to Rondout. Boats carry from 30 to 32 tons, and draw, when loaded down, 36 inches.—Cost of transportation from Honesdale to Rondout, 108 miles, $1.50 per ton. If the coal be not immediately delivered to the boats, but deposited at Honesdale, the additional cost is $12\frac{1}{2}$ cents

per ton, or $1.62½ per ton. The boating is done by individuals, who are paid these rates. One horse only is attached to a boat and performs a trip in 9 or 10 days, averaging 18 trips a season. From Rondout to the city of New York the cost of transportation down the Hudson river is 50 cents per ton; making the whole cost of transportation not less than - - - $3 25 per ton.
Worth of the coal at the mine, say - - 20 "

3 45 "

The company deliver 800 tons per day during the season, and every thing works up to that quantity; making for the season 200,000 tons in New York, at a clear profit of $500,000 per annum. This information is derived from a source entitled to the highest credit, and affords unquestionable data upon which to institute a comparison between the results of the labors of that company and the capabilities of the mining region of Allegany county; and although we have not the same data in regard to the latter, yet enough is known to gather from such comparison an approximate estimate of the value of that region, and the advantages likely to flow from a completion of the Chesapeake and Ohio Canal.

The average yield of two miners is, per day, 10 tons, and the cost of delivery at the mouth of the mine, all expense included, not exceeding, at most, 40 cents per ton. The average distance from the mines in the Frostburg region to Cumberland is 10 miles, on routes uniformly descending, and the cost of transportation, assuming high rates, 3 cents per ton per mile, or 30 cents per ton. By canal to the District is 184 miles. Our boats will carry 80 tons; therefore, the cost of carriage will or ought to be less than theirs, for the distance is as 184 to 108: but having nearly three times the capacity, and the boats taking three times the quantity, the cost of carriage ought to be a mean between the relative distances and relative capacities of the two canals.

But allow ½ per cent. per ton per mile, on the Chesapeake and Ohio Canal, and the toll to Georgetown will be, per ton $1 00
Mining and transporting to Cumberland, over a descending road - - - - - - - - - 70
Cost of transportation to Georgetown - - - - 1 00
Value of coal at the mine, say - - - - - 28

Total to Georgetown - - - - - - 2 98
Transportation to New York - - - - - 1 50

4 48

In New York the anthracite coal sells at $7 per ton, and the bituminous at from 9 to 13 dollars, according to quality.

The Erie Canal, in the State of New York, is forty feet wide by four feet deep, and the original cost was about ten millions of dollars. In 1831 the tolls amounted to $1,091,714.26, and gra-

dually increased till 1840, when they amounted to near $1,776,000; and from sources entitled to credit, we are informed that, in 1841, they fell but little short of, if they did not exceed, $2,000,000.

The maximum capacity of the Erie canal, as originally constructed, with single locks, is 742,500 tons. The average weight of the descending cargoes about 45 tons. The dimensions of the Chesapeake and Ohio Canal are much greater than those of the Erie Canal, and will carry boats averaging 80 tons burden, with the same or greater facility than that canal carries its 45 ton boats. The above 742,500 tons, therefore, should be increased in the ratio of 45 to 80, to arrive at the capacity of the Chesapeake and Ohio Canal as compared with that of the Erie Canal. Again: the year of navigation in New York averages not more than 235 days, whereas in Maryland it is fully one-fifth longer. Add the one-fifth, or 47 days, and it makes the year of navigation on the Chesapeake and Ohio Canal 282 days.

The result, then, is as follows, viz:

	Tons.
Capacities of the present Erie Canal for a year of 235 days, with boats of 45 tons, - - - - -	742,500
Add for the larger boat of the Chesapeake and Ohio Canal, - - - - - - - - - -	577,500
Add, also, one-fifth for the year of navigation, as explained above, - - - - - - - - -	264,000
And taking for guide the experience of the New York Canal, we have - - - - - - - -	1,584,000

tons as the maximum capacity of the Chesapeake and Ohio Canal, as regards tonnage alone in one direction only, and with single locks. So great have been the benefits derived from this canal to the great State of New York, that it is now being enlarged to a width of seventy feet, and a depth of seven feet, and at an additional cost of about thirty millions of dollars. This single fact speaks volumes. It is worthy of remark, too, that the whole amount of the coal trade on this canal has not exceeded ten or fifteen thousand tons.

The Ohio Canal, in the State of Ohio, also presents encouraging results. In 1840, the tolls on that canal amounted to $452,122, which is over "seven per cent. on the cost of the canal, after deducting every expense for superintendence and repairs," and this, too, without the advantage of any coal trade.

When these facts are taken into consideration, and the additional conceded fact, that, *cæteris paribus*, a canal penetrating a coal region is much more productive than one depending mainly upon agricultural products for support, the superior advantages of the Chesapeake and Ohio Canal are manifest and unquestionable. That, when completed, this great work will realize all the most sanguine anticipations of its most ardent supporters, there can be but little doubt. Nothing is wanting but the action of the Legislature of Maryland, to which alone the company look for

succor, to provide the means for completing the work with the least practicable delay. Will those means be provided? Will the Legislature now, after having toiled through difficulties and embarrassments of every description in its liberal support of this great enterprise, be unwilling to lend its aid now, when the completion and final triumph of is so near at hand? Standing as it now does, the canal is a dead weight upon the energies of the State. Finish it to Cumberland, and it will not only cease to be a mendicant at the door of the Treasury, but it will become a source of revenue to the State. The undersigned is fully sensible of the unexampled character of the present pecuniary crisis, and how difficult it will be, with the most favorable intentions, to provide a fund for the completion of the canal under existing circumstances; but the hope is still entertained that, by a judicious system of legislation, arrangements may be made by which adequate means can be obtained. And when it is now conceded, on all sides, that the canal is the only source from which the State can hereafter be relieved from the heavy direct taxation that now oppresses her, a wise forecast would indicate its speedy completion, as the first and paramount object to which her effects should be directed. The undersigned, therefore, most respectfully and earnestly invites the early attention of the General Assembly of Maryland to the subject. All which is respectfully submitted.

By order of the Board,

M. C. SPRIGG,
President Chesapeake and Ohio Canal Company.

His Excellency FRANCIS THOMAS,
Governor of Maryland.

APPENDIX TO THE FOREGOING COMMUCATION,

CONTAINING

DOCUMENTS A, B, C, D, E, F, G and H.

(A.)

OFFICE OF THE CHES. AND OHIO CANAL CO.

Frederick, January 7, 1842.

SIR,—I yesterday received the order of the House of Delegates, passed on the 1st instant, calling upon the President of the Chesapeake and Ohio Canal Company to report to the House of Delegates, "at as early a day as possible, what progress has been made during the year 1841 towards the completion of said canal; what amount of State bonds have been sold or hypothecated by said company in the year 1841; to whom sold or hypothecated, and at what price or prices; what disposition has been made of

the bonds authorised to be issued by an act passed at December session 1840, chapter 30; if said bonds remain unsold, what efforts have been made to realise the money for the same; what price or prices the company have been offered for them; what amount of the State bonds the company hold that are not hypothecated. Also, report what the debts and liabilities of the company are; also, to ascertain from the chief engineer, under oath, what amount of money will be required to complete the canal to Cumberland; what has been the amount of tolls collected during the last twelve months; what was the amount of income above the expenditures; what number of officers, agents and engineers, were in the employ of said company when the said president took charge of said company; what are the number of officers, agents and engineers, that are now in the employ of the said company; what extra allowance, if any, has been given, or permitted to be given, to those employed, and to whom given; and what are the salaries of the different officers."

Immediately upon the receipt of the order, the distinct inquiries appertaining to matters immediately under charge of the clerk, chief engineer and treasurer, were respectively referred to them; and I have the honor, herewith, to communicate their several reports, which embrace answers to all the interrogatories contained in the order.

It will be perceived that the corps of engineers was increased in April last. This increase was made in order to enable the company to comply promptly with the 8th section of the act of 1841, chapter 30, which was passed on the 5th day of said month, so soon as the act should become operative, of which the company at that time entertained no doubt. A careful, complete and particular survey and estimate of the entire unfinished portion of the canal was ordered by the board on the 13th of April, immediately after coming into office, for the purpose of determining the amount necessary to complete the work. The result of the admeasurement and estimate will be seen in the answer of the chief engineer to the interrogatories referred to him, and contained in his report, which is herewith communicated. The company derived no aid whatever under the act of March sesion 1841, chapter 30. That act failed to take effect, in consequence of the inability of the coal and iron companies of Allegany to give to the Treasurer of the Western Shore satisfactory bonds and security for a compliance, on their part, with the conditions contained in the tenth and twelfth sections of said act. The companies in question had every disposition to comply with the conditions required of them, and tendered their corporate bonds, together with liens on their possessions, as the undersigned has been informed; but, as the encumbrances on them were large, the Treasurer did not conceive such security adequate, for reasons stated in his annual report to the Legislature, and therefore refused to accept them. The consequence was, that by the express provisions of the section referred to, the act of 1841, chapter 30, for

the completion of the canal to Cumberland, became wholly inoperative, and the canal company thereby failed to obtain that aid which the Legislature had so munificiently provided.

The undersigned deems it his duty, in this connexion, again most earnestly to invite the attention of the Legislature to the condition of the canal company, which exists now only by the fostering aid and protection of the State. If in March last, the necessities of the company and the interests of the State, commanded the aid intended by the act referred to, which became inoperate by circumstances not contemplated by the framers of the law, how much more strongly does the subject address itself to favorable consideration? So long as the canal remains in its present unfinished condition, it will continue to hang like a millstone upon the pecuniary resources of Maryland; but when completed to Cumberland, as it now can be, for the comparatively small sum of one million six hundred thousand dollars, it will not only cease to be a burden to the State, but become a source of increasing and exhaustible revenue. The subject has ceased to be a question of internal improvement, and now lies at the foundation of the financial system of our State. The undersigned is aware of the difficulty of procuring funds sufficient for the completion of the canal, in the present unexampled condition of State securities, but trusts that the wisdom of the Legislature will devise ways and means to meet the question, relying with confidence upon the work, when completed, for an ample and speedy remuneration of any advances that may now be made. All which is respectfully submitted.

By order of the board,

M. C. SPRIGG, *President.*

The Hon. the SPEAKER
of the House of Delegates of Maryland.

TREASURER'S OFFICE, CHES. AND OHIO CANAL CO.

Frederick City, January 7, 1843.

GENTLEMEN,—In fulfilment of your order of this date, "that the treasuer report forthwith:"

1. What amount of State bonds have been sold or hypothecated by the company, in the year 1841; to whom sold or hypothecated; and at what price or prices?

2. What disposition hath been made of the bonds authorised to be issued by an act passed at December session 1840, chapter 30? If said bonds remain unsold, state what efforts have been made to realize the money for the same; what price or prices the company have been offered for the same.

3. What amount of State bonds the company hold, that are not hypothecated?

4. What are the debts and liabilities of the company?

5. What has been the amount of tolls collected during the last twelve months?

6. What was the amount of income above the expenditure?

I report—1. That no bonds of the State of Maryland have been sold or hypothecated by the company in the year 1841.

2. That no bonds have been issued to this company under the act of December session 1840, chapter 30—that act having become inoperative in consequence of the non-fulfilment of its conditions precedent by the parties to whom it applied.

3. That there remain yet unissued by the Commissioner of Loans bonds to the amount of £475 sterling, to which the company is entitled, under chapters 386 and 396, of December session 1838.

4. The debts and liabilities of the company on the 1st December, 1841, amount, as far as can be determined, to the sum of $1,400,931.97.

5. That the amount of tolls which have accrued in the year ending the 30th November, 1841, may be estimated at the sum of $52,500.

6. That the amount of moneys which passed into the treasury in the same period, was $695,849.10.

And the amount paid out therefrom, $690,418.73.

Very respectfully,

Your obedient servant,

ROBERT BERNARD, *Treasurer.*

The PRESIDENT and DIRECTORS

Chesapeake and Ohio Canal Company.

CANAL OFFICE, FREDERICK, *January* 7, 1842.

GENTLEMEN,—I am required, by your order of this date, to report forthwith to the Board—

1. "What progress has been made during the year 1841 towards the completion of the canal?"

2. "What amount of money will be required to complete the canal to Cumberland—the same to be verified by the oath of the chief engineer?"

1. Assuming $6,000 for the amount of work done in December, 1841, (which has not yet been estimated, but which cannot vary much from this sum,) and the work done on the 1st of January, 1842, on the fifty miles of unfinished canal between dam No. 6 and Cumberland, amounted to $2,845,864. The work done on the 1st of January, 1841, (see chief engineer's report of February 15, 1841,) amounted to $2,614,757. The difference between these two sums, (viz: $231,107,) *is the amount of work done, during the year* 1841, *on the fifty miles of unfinished canal.*

2. The amount of money required to complete the fifty miles of unfinished canal, on the 1st of January, 1842, was $1,591,136. To this sum, $100,000 should be added, in case the composite plan should not be adopted for nine of the remaining locks, and certain other minor changes in the plan of the work should not

be made, as explained in my report to the board of the 20th of December, 1841.

It can hardly be necessary for me to state that the present estimate, like all the preceding ones, does not include any allowance for interest, but is confined exclusively to the cost of the construction of the canal.

The details of the present estimate are all given in my report of December 20, 1841, now before the board.

Respectfully submitted,

CHARLES B. FISK, *Chief Engineer.*

The PRESIDENT and DIRECTORS
of the Chesapeake and Ohio Canal Company.

STATE OF MARYLAND, *Frederick county, to wit:*

On this 7th day of January, 1842, before me, the subscriber, a justice of the peace for the county and State aforesaid, personally appears Charles B. Fisk, chief engineer of the Chesapeake and Ohio Canal Company, and makes oath, on the Holy Evangely of Almighty God, that, according to the best of his judgment and belief, the sum of one million five hundred and ninety-one thousand one hundred and thirty-six dollars will be required to complete the Chesapeake and Ohio Canal to Cumberland, upon the plan detailed in his report of the 20th of December, 1841, above referred to, and that that sum of current money will be sufficient for the purpose.

Sworn before MICHAEL BALTZELL.

CANAL OFFICE, FREDERICK, *January* 7, 1842.

GENTLEMEN,—In response to your order of this day, requiring "that the clerk report forthwith to the board—

1. "What number of officers, agents and engineers, were in the employ of the company when the present president took charge of the company?

2. "What number of officers, agents and engineers, are now in the employ of the company, and what are their respective salaries?

3. "What extra allowance has been given or promised to be given, to those employed, and to whom?"

I respectfully submit the accompanying papers, (marked A and B) as replies to the first and second branches of the order.

To the third I reply, that no extra allowance has been given or promised, to any officer, agent or engineer employed.

Very respectfully,

Your obedient servant,

THOMAS TURNER,
Clerk Chesapeake and Ohio Canal Company.

The PRESIDENT and DIRECTORS
of the Chesapeake and Ohio Canal Company.

List of officers, engineers and agents, in the employ of the Chesapeake and Ohio Canal Company, on the 2d day of April, 1841, the day on which the present Board of President and Directors were elected, with the rate of compensation paid to each annually.

Francis Thomas, (president,) compensation per annum	$3,000
Dr. William Tyler, Jacob Markell, John McPherson, Robert P. Dunlap, James Swan, William Lucas, Directors, $4 per day, whilst actually employed as such, not to exceed $300 per annum, for each one,	1,800
Thomas Turner, clerk,	1,800
Edward Shriver, assistant clerk,	1,000
Ezra Houck, collector general of tolls,	1,000
Samuel Tyler, treasurer and accountant,	1,400
Albert Maybury, messenger,	200
	$10,200

Elwood Morris, chief engineer,	$4,000
Henry M. Dungan, assistant engineer,	1,200
Thomas L. Patterson, assistant engineer,	1,200
Jacob C. Schnebly, rodman,	540
Benjamin F. Brennan, rodman,	540
Two chain and axemen,	730
Samuel M. Semmes, commissioner,	1,000
	9,210

John Y. Young, superintendent 1st division,	$800
William O'Neale, superintendent 2nd division,	800
John D. Grove, superintendent 3rd division,	800
Joseph Hollman, superintendant 4th division,	800
Benjamin F. Mackall, collector of tolls at Georgetown,	800
P. McGaughan, collector of tolls at Point of Rocks,	300
William Mc. Kepler, collector of tolls at Williamsport,	400
Arthur Blackwell, collector of tolls at Hancock,	400
John Hilton, keeper of lock B,	50
James O'Riley, keeper of locks Nos. 1, 2, 3 and 4,	500
Thomas B. Offutt, keeper of lock No. 5 and guard lock,	250
James Dalzell, keeper of lock No. 6,	150
Michael Hart, keeper of lock No. 7,	150
Levi Barrett, keeper of lock No. 8,	150
Osbourn Crawford, keeper of locks Nos. 9 and 10,	200
Wilton Burgess, keeper of lock No. 11,	150
Frederick Metts, keeper of locks Nos. 12, 13 and 14,	250

Hezekiah Metts, keeper of locks Nos. 15 and 16,	$276
William H. Henderson, keeper of locks Nos. 17 and 18,	276
D. Collins, keeper of locks Nos. 19 and 20,	200
Robert C. Fields, keeper of lock No. 21,	150
John Fields, keeper of lock No. 22,	150
Wm. H. Hammontru, keeper of lock No. 23 and guard lock,	200
Charles H. Shanks, keeper of lock No. 24,	150
Asa Aud, keeper of lock No. 25 and outlet,	250
James Fitch, keeper of lock No. 26,	150
Thomas Walter, keeper of lock No. 27,	150
James Davis, keeper of lock No. 28,	150
John Walter, keeper of lock No. 29,	175
W. Kuhn, keeper of lock No. 30,	100
Dennis Harrison, keeper of lock No. 31, &c.	175
A. W. Jones, keeper of lock No. 32,	175
W. S. Elgin, keeper of lock No. 33 and collector of tolls,	300
John Crowley, keeper of lock No. 34,	175
William McKay, keeper of locks Nos. 35, 36 and guard,	300
John Kerchwell, keeper of lock No. 37,	150
George Hughes, keeper of lock No. 38 and outlet,	200
Joseph Gwyn, keeper of lock No. 39,	150
Andrew McKoy, keeper of lock No. 40,	150
Levi R. Shaw, keeper of guard lock No. 4,	150
Henry Boyd, keeper of locks Nos. 41 and 42,	200
Michael Crisman, keeper of lock No. 43,	150
Joseph Hollman, keeper of lock No. 44—water power granted.	
Jacob Motter, keeper of guard lock No. 5,	150
John Herbert, keeper of locks Nos. 45 and 46,	200
Daniel Brewer, keeper of locks Nos. 47, 48, 49 and 50,	300
Upton Rowland, keeper of locks Nos. 51 and 52,	200
H. Conner, keeper of lock No. 53,	150
Thomas Fleming, keeper of guard lock No. 6,	175
Superintendents, collectors and lock keepers,	$12,777

SUMMARY.

The President, Directors and clerks, ($300 each Director)	$10,200
Engineers, rodmen, axemen and commissioners,	9,210
Superintendents, collectors and lock-keepers,	12,777
Total	$32,187

THO. TURNER,
Clerk of the Chesapeake and Ohio Canal Company.

CANAL OFFICE,
Frederick, January 7, 1842.

List of officers, engineers and agents, in the service of the Chesapeake and Ohio Canal Company, on the 1st day of January, 1842, with the rate of compensation paid to each annually:

Michael C. Sprigg, President - - - - - -	$1,000
James M. Coale, Frisby Tilghman, J. P. Ingle, J. R. Dall, J. O. Wharton, D. Burkhart, } Directors, $4 per day when actually employed, not to exceed each per annum - - - - - -	1,800
Thomas Turner, clerk and superintendent of tolls -	1,500
Robert Barnard, treasurer and accountant - - -	1,200
Total	5,500
Charles B. Fisk, chief engineer - - - - -	$3,000 00
John A. Byers, assistant engineer - - -	1,100 00
Charles H. Randolph, assistant engineer - -	1,100 00
Henry M. Dungan, assistant engineer - - -	1,100 00
Samuel H. Williams, assistant engineer - -	1,100 00
Thomas L. Patterson, assistant engineer - -	1,100 00
Thomas Gove, rodman - - - - -	500 00
Jacob L. Schnebly, rodman - - - -	500 00
John Buchanan, jr., rodman - - - -	500 00
William H. Bryan, rodman - - - -	500 00
R. Lorman Ross, rodman - - - -	360 00
Four axemen - - - - - - - -	1,110 00
Morgan Snively, superintendent at tunnel, and axeman, $1 50 per day - - - - -	547 50
Samuel M. Semmes, commissioner - - -	200 00
	12,717 50
John Y. Young, superintendent first division - -	$700
William S. Elgin, superintendent second division - -	700
George W. Rodgers, superintendent third division -	700
John G. Stone, superintendent fourth division - -	700
Benjamin F. Mackall, collector of tolls at Georgetown -	600
Henry Jamison, collector of tolls at Point of Rocks -	200
Eli Stake, collector of tolls at Williamsport - - -	300
Arthur Blackwell, collector of tolls at Hancock - -	300
John B. Hilton, keeper of lock B, at Washington - -	50
James O'Riley, keeper of locks Nos. 1, 2, 3 and 4 -	600
Thomas B. Offutt, keeper of lock No. 5 and guard lock -	250
James Dalzell, keeper of lock No. 6 - - - -	150
Michael Hart, keeper of lock No. 7 - - - -	150
Levi Barrett, keeper of lock No. 8 - - - -	150
Osbourn Crawford, keeper of locks Nos. 9 and 10 -	200

Wilton Burgess, keeper of lock No. 11 - - -	150
Frederick Metts, keeper of locks Nos. 12, 13 and 14 -	250
Hezekiah Metts, keeper of locks Nos. 15 and 16 - -	276
Wm. H. Henderson, keeper of locks Nos. 17 and 18 -	276
Daniel Collins, keeper of locks Nos. 19 and 20 - -	200
Robert C. Fields, keeper of lock No. 21 - - -	150
John Fields, keeper of lock No. 22 - - - -	150
Wm. H. Hammontru, keeper of lock No. 23 and guard	200
Charles H. Shanks, keeper of lock No. 24 - - -	150
Asa Aud, keeper of lock No. 25 and outlet - - -	250
James Fitch, keeper of lock No. 26 - - - -	150
Thomas Walter, keeper of lock No. 27 - - -	150
Jamas Davis, keeper of lock No. 28 - - - -	150
John Walter, keeper of lock No. 29 - - - -	175
Dennis Harrison, keeper of lock No. 30 - - -	175
Wm. Kuhn, keeper of lock No. 31 - - - -	100
A. W. Jones, keeper of lock No. 32 - - - -	175
W. S. Elgin, keeper of lock No. 33 and collector of tolls	300
John Crowley, keeper of lock No. 34 - - - -	175
Wm. McKay, keeper of locks Nos. 35, 36, and guard -	300
John Kerchwell, keeper of lock No. 37 - - -	150
George Hughes, keeper of lock No. 38 and outlet -	200
Joseph Gwyn, keeper of lock No. 39 - - - -	150
Andrew McKoy, keeper of lock No. 40 - - -	150
Levi R. Shaw, keeper of guard lock No. 4 - - -	150
Henry Boyd, keeper of locks Nos. 41 and 42 - -	200
Michael Crisman, keeper of lock No. 43 - - -	150
Joseph Hollman, keeper of lock No. 44—use of water power.	
Jacob Motter, keeper of guard lock No. 5 - - -	150
John Herbert, keeper of locks Nos. 45 and 46 - -	200
Daniel Brewer, keeper of locks Nos. 47, 48, 49 and 50	300
Upton Rowland, keeper of locks Nos. 51 and 52 - -	200
H. Conner, keeper of lock No. 53 - - - -	150
Thomas Fleming, keeper of guard lock No. 6 - -	175
Total, superintendents, collectors and lock-keepers	11,977

SUMMARY.

President, directors and clerks, $300 to each director	$5,500 00
Engineers, rodmen, and axemen and commissioner	12,717 50
Superintendents, and lock-keepers, and collectors	11,977 00
Total - - -	30,194 50

THO. TURNER,
Clerk Chesapeake and Ohio Canal Company.

CANAL OFFICE,
Frederick, January 7, 1842.

(B.)

CANAL OFFICE, *Frederick, December* 20, 1841.

GENTLEMEN: Herewith I enclose a detailed estimate, of date the 1st inst., of the *work done* and *that to be done* on the fifty miles of unfinished canal between dam No. 6 and Cumberland.

I have divided the work into three classes.

The first class embraces that portion of the work which *was done* on the 1st instant, and which has been finally estimated.

The second class comprises all the work *now under* contract, (including some which will probably be finished under the contracts lately suspended, if operations on the line should shortly be resumed.)

The third class embraces all the residue of the work, it being *all the work not now under contract.*

	Work done Dec. 1, 1841.	Work to be done Dec. 1, 1841.
The first class, as per accompanying statement, amounts to	$2,073,714	
The second class, as per do., amounts to	772,150	$328,023
The third class, as per do., amounts to		1,363,113
Totals	2,845,864	1,691,136
Added		2,845,864
And we have		4,537,000

as the present estimated cost of construction of the *fifty miles* between dam No. 6 and Cumberland, supposing no change in the plans of building the remaining locks, culverts and lock-houses, from those originally contemplated.

It appears, in the accompanying estimate, that $120,000 may be saved in the first cost of locks No. 59 to 71, inclusive, and the culverts and lock-houses remaining to be built, if the composite plan should be adopted for the locks, brick for the arches of the culverts, and log buildings for the lock-houses.

I am still of the opinion, more than once expressed by me, that the changes of plan just spoken of should be adopted, except, perhaps, as regards locks No. 68 to 71, inclusive, which, owing to their favorable situation in reference to quarries, may be built at much less cost upon the original plan than the remaining locks lower down the line. If there should be reasonable and responsible offers to construct these four locks upon the old plan, showing a saving by adopting the composite plan not exceeding in the aggregate $20,000, I would advise that the original plan be adhered to, on account of the greater ultimate saving.

Assuming that the composite plan will be adopted for all the remaining locks, except the four just named, and that the other changes spoken of as respects the culverts and lock-houses will

also be made, I deduct $100,000 from $1,691,136, and there remains $1,591,136 for the sum required to complete the canal on the 1st of December, 1841.

Of the whole fifty miles of unfinished canal between dam No. 6 and Cumberland, there remain, *in cost*, only eighteen and three-tenth miles of distance to be constructed, which is a fraction *less than one-tenth* of the entire length of the canal from Georgetown to Cumberland.

I will remark, in reference to the present estimate, that none will doubt its sufficiency who will make themselves acquainted with its details, and the details of the several preceding estimates of the same work, and with the actual cost of the work which has been done upon the fifty miles, compared with its estimated cost in former estimates.

The prices of the present estimate are ample, in case the work should be let at this time, and the cost of labor and provisions should not materially advance.

Respectfully submitted:

CHARLES B. FISK, *Chief Engineer.*

The PRESIDENT and DIRECTORS
of the Chesapeake and Ohio Canal Company.

(C.)

DR. *General statement of the debts and credits of the Chesapeake and Ohio Canal Company, April 1, 1841.* CR

Promissory notes issued by the company, viz:				£	s.	d.
Post notes, 1834	$555 00			Sterling bonds in the hands of Baring, Bros. & Co.	133,000	0 0
Interest thereon	22 20					
		$577 20		Estimated at 74 per cent.	98,420	0 0
Notes re-issuable under $5 - -		6,379 50		Upon which they have made advances - -	85,167	2 3
Notes re-issuable of $5 and upwards - -		1,300 00			13,252	17 9
Post notes, 1837	460 00			They have received proceeds of sales of Pennsylvania stocks -	9,059	10 3
Interest thereon	13 00					
		473 80		Also coupons to 31st December, 1840 -	6,613	15 0
Post notes, 1839	6,765 00					
Interest thereon	202 95			Also coupons to 31st March 1841 - -	1,662	10 0
		6,967 95			30,588	13 0
Post notes, 1840	555,400 00					
In'st thereon	25,000 00			Deduct 3 months' interest on balance of cash advanced - -	868	12 2
		580,400 00				
			$596,098 45			
Acceptances in favor of						

contractors - -	74,640 55			29,720 0 10	
Interest accrued thereon	5,365 92			at $4 4-9 per £	$132,090 12
		80,006 47	Bal. with Swan, Gittings,		
Balances due to contractors	–	211,220 14	and Gunton, trustees	–	56,192 62
Due for land condemned,			Due from stockholders	$154,130 00	
damages, &c., about	–	47,000 00	Deduct presumed bad	100,000 00	
Due for other outstanding					54,130 00
claims - -	–	65,000 00	Cash in treasury -	–	766 66
Interest due to the State of			State of Maryland, advanc-		
Maryland on the two mil-			ed to her commissioners		
lion loan - -	–	205,000 00	appoined to sell sterling		
Due to Chesapeake Bank	–	4,113 38	bonds in Europe -	–	8,000 00
			Balances in transitu from		
			collectors - -	–	5,782 59
			Maryland 5 per cent. ster-		
			ling bonds not yet issued		
			to company, (£475,) es-		
			timated at 80 -	–	1,689 00
					258,650 99
			Balance deficit -	–	949,787 45
		1,208,438 44			1,208,438 44

THOMAS TURNER, *Clerk Ches. and Ohio Canal Co.*

DR. *General Statement of the debts and credits of the Chesapeake and Ohio Canal Company, December 1, 1841.* CR.

Promissory notes issued by the Co., viz.	$555 00			Sterling bonds in the hands of Baring, Bros. & Co.	£ 133,000	s. 0	d. 0
Interest thereon	22 20						
		$557 20		Estimated at 72 per cent.	95,760	0	0
Notes re-issuable under $5 - -		5,904 25		Upon which Barings have advanced - -	95,167	2	3
Notes re-issuable of $5 and upwards - -		1,280 00			592	17	9
Post notes, 1837	450 00			They have received sales of Pennsylvania stocks	9,059	10	3
Interest thereon	31 80			Also, coupons to 31st December, 1840 -	6,613	15	0
		481 80		Also, coupons to 1st April, 1841 - - -	1,662	10	0
Post notes, 1839	6,370 00			Also, coupons to 1st October, 1841 - -	1,662	10	0
Interest thereon	457 75			Accrued to 1st December, 1841 - - -	1,108	6	8
		6,827 75			20,699	9	8
Post notes, 1840 -	506,780 00						
In'st. thereon	27,020 00						
		533,800 00					
			$548,871 00				
Bonds issued in payment of post notes - -		4,000 00		Deduct interest on cash advances - -	3,309	17	11

Interest accrued -	160 00				
		4,160 00		17,389 11 9	
Acceptances and bonds issued to contractors and others - -	132,797 12		Bal. with Swan, Gittings, and Gunton, trustees	at $4 4-9 per £ –	$77,287 06 56,192 62
Interest thereon -	8,175 03		Due from stockholders	$150,215 00	
		140,972 51	Deduct presumed bad	100,000 00	50,215 00
Balances due to contractors	–	299,815 44	Cash in treasury -	–	527 74
Due for lands condemned, damages, &c., about	–	43,000 00	State of Maryland, advanced to her commissioners appoined to sell sterling bonds in Europe -	–	8,000 00
Due for other outstanding claims - -	–	75,000 00	Balances in transitu from collectors - -	–	10,620 00
Interest due to the State of Maryland on the two million loan - -	–	285,000 00	Maryland 5 per cent. sterling bonds not yet issued to company, (£475,) estimated at 80 -	–	1,689 00
Due to Chesapeake Bank	–	4,113 38			204,531 42
			Balance deficit -	–	1,196,400 55
		1,400,931 97			1,400,931 97

THOMAS TURNER, *Clerk Ches. and Ohio Canal Co.*

(F.)

CANAL OFFICE, *Frederick, January* 8, 1842.

Whereas, in the present exigencies of the company, it is right and proper that some source of accruing revenue should be established, to meet the unavoidable current expenses of the company, and to repair breaches, in case they occur, in the canal: And whereas the Legislature of Maryland, by the 3rd section of the act of the last session, entitled "An act for the completion of the Chesapeake and Ohio Canal to Cumberland," has indicated the tolls of the said canal as the legitimate and proper source for supplying the funds necessary to defray the said expenses: And whereas no other provision has been made to furnish money for such purpose, nor are there any means of establishing a permanent source other than from the tolls: And whereas, to render the said tolls available, it is necessary that they should be collected in current funds: And whereas it is considered that, *at present*, one-third of the tolls will be sufficient to meet the indispensable wants of the company, and it is not desired to require more of the tolls in current funds, to the exclusion of the scrip, than the case absolutely requires: Therefore,

Ordered, That, from and after the first day of August next, the collectors of tolls in the service of the company be directed to require at least one-third of the tolls in such funds as can be used for the purposes above mentioned.

True extract from the proceedings of the president and directors of the Chesapeake and Ohio Canal Company, on the 15th day of July, 1841.

Test: THOS. TURNER,

Clerk of the Chesapeake and Ohio Canal Company.

(G.)

Frederick, Thursday, July 29, 1841.

GENTLEMEN: Having, on Monday last, received the information called for by the resolution of the board of the 15th instant, with the exception of the estimated value of the property and possessions of the coal and iron companies of Allegany, which, I was informed, had already been formally communicated to the Treasurer of the Western Shore of Maryland, I started for Annapolis on the following morning, and arrived there in the evening of the same day. On Wednesday I called on the Treasurer, presented to him the documents with which I had been furnished, examined those in his possession relating to the subject, and then explained at some length the object of my mission, enforcing my views with such arguments as had presented themselves to me from the consideration of the case in its various bearings. Prefacing our conference with the remark, that it depended entirely upon the nature and extent of the obligations he would require of the Allegany

companies for the performance of the conditions contained in the 10th and 12th sections of the act passed at the March session, "for the completion of the Chesapeake and Ohio Canal to Cumberland," whether the same was to go into operation. I endeavored to impress him with the serious consequences that must result, both to the State and the company, from a failure to give effect to that law. I told him that I was led to believe that the companies in question were willing to give their corporate bonds in any required amount, under the 10th section of the act, and their bonds with liens on all their property under the 12th section; and that I thought a liberal construction of the provisions of those sections would not require of him to demand more; that, by the 10th section, he was merely directed to take "satisfactory bonds" of the several companies named therein, without any mention being made of security; that as the Legislature had expressly required security to be taken under the 12th section, but said nothing about it under the 10th, it was fair to conclude that the makers of the law did not intend it should be demanded under that section; that the word "satisfactory" had relation to the bonds, and might reasonably be understood to refer to the amount of the penalty, the form of the bonds, and the valid execution of the same; that under the 12th section only were those companies specially required to enter into "bonds with security;" that this provision would be literally complied with by their giving corporate bonds, with liens on their property; that I thought it would be unwise to insist too strictly upon the present availability of that security, under existing circumstances; that, if the companies were willing to pledge their all, no more ought to be asked or expected of them; that there was no probability of the State's ever being able to get better terms than those now offered; that although the possessions of the companies were at this time heavily encumbered, yet that a large portion of the aggregate debt for which the liens were given was for money recently borrowed, which is to be expended in improvements on the corporate property and its appurtenances; and he might therefore reasonably infer that a part of the very money for which the liens were granted would be applied to the construction of railways, as contemplated by the 10th section of the act, *since without them the mines could not be productive, nor enable the borrowers to repay the loan;* that the lenders of that money manifested, in the strongest possible manner, their confidence in the worth and productiveness of the mines, by the very act of making the loan; and if *productive to the extent required for repayment, the revenue that would be derived from them in the way of tolls must far exceed the amount stipulated for by the 12th section of the act;* that, in considering this section, he must keep in view the fact, that every dollar received from the companies as tolls will diminish, *pro tanto*, the amount guarantied, and relieve, to that extent, the obligation and pledge. I referred him to the history of past legislation for evidence that the State had determined to complete the canal to Cumberland, and to the common

sentiment of all men, at this day, that she was compelled to do so, as the only means of relieving her people from direct taxation; and I suggested that, as it is to be done, "it were well it were done quickly;" that every year's postponement entails upon the State or company the loss of half a million of dollars; that the canal company is at this moment totally destitute of available funds; that seven hundred laborers are at work upon the unfinished line of the canal, many of whom have received no pay for at least six months; and that if this law failed to give relief, they must be discharged without pay, and without any ability on the part of the board of directors to promise them payment, with any certainty of being able to comply.

All these considerations, and many others, were urged upon the Treasurer, but without effect. He expressed and manifested much regret at the responsibility which the Legislature had, without his knowledge, imposed upon him; but stated that, as it had been done, he felt bound to construe his powers strictly. He considers it his duty to require such bonds and security, under both the 10th and 12th sections of the act, as will ensure a compliance with their provisions; or, in case of failure, payment of the penalties, to the full amount necessary for the fulfilment of the conditions. He is of opinion that the bonds of all the companies, and liens on all their property and possessions, are not sufficient for this purpose, under their present encumbrances, the amount of which, although repeatedly called for, he is now for the first time informed of; and he proposes the following as his *ultimatum:*

First. That, under the 10th section, he will be satisfied with the estimates of engineers in the employ of each of the companies named in the law, as to the probable cost of the construction of their respective railways, and the amount of the estimates shall determine the penalties of the bonds, respectively; that, under this section, he will require corporate bonds and liens upon their property.

Secondly. That, under the 12th section, he will require bonds in the penalty of $1,200,000, together with liens upon the possessions of the companies, and additional security sufficient to secure the payment of the whole amount stipulated for. The additional security, he says, may be either personal or corporate. He mentioned banks by way of illustration.

The Treasurer stated that it was with regret he felt constrained to make these requirements, which he was sensible must prove fatal to the law; that, since the act of 1835, he had been in favor of the speedy completion of the canal to Cumberland, and he was aware that every postponement must be attended with loss and additional burdens. He said, however, that all these considerations were for the Legislature, and that he felt bound to pursue the limited and specific authority with which he had been invested, without being at all influenced by them. In conclusion, he said he derived some consolation in the stand he had taken, from a firm

belief that the bonds of the State could be disposed of to much greater advantage a year hence than at present.

Before taking my leave, I inquired whether he desired further information from any source, or on any point in relation to the subject? and he replied that he did not.

The above is a brief but substantial statement of what passed in my interview with the Treasurer in relation to the subject committed to me by your order of the 15th instant, before referred to, and as such is respectively submitted, &c. J. M. COALE.

(H.)

SATURDAY, *August* 7, 1841.

On motion,

"Ordered, That the president of the company be authorised to discharge from the service of the company such of the engineers and their attendants, superintendents, &c. as the chief engineer, from time to time, report to him as being no longer required for the service."

FRIDAY, *September* 17, 1841.

On motion,

"Resolved, That the chief engineer be directed to dismiss such of the engineer corps as may not be necessarily employed in measuring up the abandoned contracts and taking estimates of the works still in progress."

CANAL OFFICE, FREDERICK, *January* 8, 1842.

True extracts from the proceedings of the president and directors of the Chesapeake and Ohio Canal Company on the days respectively above. Test:

THO. TURNER,
Clerk of the Chesapeake and Ohio Canal Company.

Statement of the moneys which have passed into the Treasury of the Chesapeake and Ohio Canal Company, and of the payments made thereon, in the year ending 30th November, 1841.

December 1, 1840, to November 30, 1841. The receipts have arisen from the following sources, viz:	
Capital stock,	$3,914 63
Construction of the canal,	66 51
Interest,	18,057 73
Law expenses,	45 22
Tolls,	47,890 38
Water rents,	2,214 99
Baring, Brothers & Co.	44,444 44
George Peabody,	110 43
Exchange,	5,542 09
Post notes issued in 1840,	225,445 42
Bonds,	4,000 00
5 per cent. sterling bonds of the State of Maryland, sales made by Swan, Gittings and Gunton, trustees, &c., in the year 1840, &c., (see 13th Annual Report, page 29)	344,117 26
	$695,849 10

December 1, 1840, to November 30, 1841. The payments are properly chargeable to the following appropriations, viz:	
Acquisition of land,	$1,793 21
Construction of the canal	269,144 87
Interest,	11,622 14
Law expenses,	554 44
Tolls,	374 99
Engineer department,	14,584 30
Pay of lock-keepers,	2,184 47
Pay of officers,	9,857 14
Printing,	22 87
Stationery,	58 82
Postages,	197 86
Contingent expenses,	2,591 23
Contingent expenses of the commissioner Ch. & Ohio Canal Co.	36 75
Potomac Company—unclaimed dividends,	61 05
Tolls account,	234 92
Notes reissuable, under $5, redeemed,	1,559 25
Notes reissuable, $5 and upwards,	2,760 00
Post notes—1837,	125 00

December 1, 1840—Balance in treasury, -	$46,965 82	Post notes—1839, - - -	293,630 00
		Post notes—1840, - - -	79,025 42
			690,418 73
		December 1, 1841—Balance in treasury, -	52,396 19
	$742,814 92		742,814 92

E. E.

ROBERT BARNARD, *Treasurer.*

TREASURER'S OFFICE, CHESAPEAKE AND OHIO CANAL COMPANY,

Frederick City, January 7, 1842.

(B.)

A bill entitled, "An act to complete the Chesapeake and Ohio Canal to Cumberland, and for other purposes."

Be it enacted by the General Assembly of Maryland, That whenever the Chesapeake and Ohio Canal Company, in a general meeting of the stockholders assembled, shall approve, assent and agree to the provisions of this act, and shall have communicated to the Governor of this State such approval, assent and agreement, under the corporate seal and signature of the president of said company, the rights of this State, under the mortgages and liens heretofore made and executed by the Chesapeake and Ohio Canal Company to this State, so far as regards the priorities to which this State is or may be entitled in law or equity upon the tolls and revenues of said company, shall be, and the same are hereby deferred and postponed: First, to the holders of all bonds that may hereafter be given by the said Chesapeake and Ohio Canal Company, in sums not less than one hundred dollars, for the payment of or providing the means to pay for the completion of the said Chesapeake and Ohio Canal to Cumberland, and the interest on the cost thereof, under a contract or contracts hereafter to be entered into: *Provided*, The said bonds shall be made payable in thirty years, and shall not exceed, in the aggregate, the sum of two millions of dollars, nor bear an interest higher than seven per cent. per annum; and the bonds that may be given for the purpose aforesaid, without any preference over each other on account of priority of date, shall be held and considered, and the same are hereby made, the first and preferred liens on the tolls and revenues of said canal between Georgetown and Cumberland, excepting as is provided for in the eleventh section of this act, and after such sums shall be, from time to time, deducted therefrom, as will be required, in the opinion of the president and directors, to keep the said canal in good condition and repair for transportation, and to provide the requisite supply of water, and to pay the officers' salaries and the expenses of the company.

And secondly, the priorities of this State, under the mortgages and liens heretofore executed, or that may be executed to it by the said Chesapeake and Ohio Canal Company, shall be, and the same are hereby, to the same extent as aforesaid, further deferred and postponed, to the holders of all bonds that may be issued by the said Chesapeake and Ohio Canal Company, for the payment of existing debts of the said company, and to redeem the scrip of the said company heretofore paid out for work done on said canal, or for other purposes: *Provided*, That the bonds so to be issued shall be made payable in twenty years, and shall not bear an interest exceeding the rate of six per cent. per annum. And the bonds of the said Chesapeake and Ohio Canal Company that may be issued and executed for the purposes last above named, without any preference over each other on account of priority of

date, shall constitute liens of the second class upon the nett tolls and profits of said canal between Georgetown and Cumberland, excepting as is provided in the eleventh section of this act.

SEC. 2. *And be it further enacted*, That the bonds issued under the first clause of the preceding section shall be signed by the clerk, countersigned by the president and sealed with the corporate seal of the said company, and shall be in the following form:

No. ———

Dollars.

OFFICE OF THE CHES. AND OHIO CANAL COMPANY,

[place and date.]

——— years after date, the Chesapeake and Ohio Canal Company promises to pay to ——— or bearer, ——— dollars, in gold or silver, with interest at the rate of ——— per cent. per annum, payable semi-annually on the first day of January and the first day of July in each year, for value received; this bond being a lien of the first class on the nett revenues of said canal between Georgetown and Cumberland, according to the provisions of an act of the General Assembly of Maryland, passed at December session, eighteen hundred and forty-one, chapter ——.

[Signed] [Countersigned]

Clerk. *President.*

[Seal.]

SEC. 3. *And be it enacted*, That the bonds issued under the second clause of the first section of this act shall be executed in the same manner, and be of like form, as is provided in the preceding section, except that it shall appear that they are of the second class of liens, instead of the first class of liens, as is therein stated.

SEC. 4. *And be it enacted*, That the said Chesapeake and Ohio Canal Company, in a book or books for that purpose to be provided, shall keep in the office of said company an accurate record of all the bonds constituting the first class of liens that may be issued pursuant to the provisions of this act as aforesaid, briefly stating the date, amount and number of the bond; when the same is payable; to whom it was issued; the rate of interest allowed thereon; and the name of the clerk and president by whom the same was signed and countersigned. And in a separate book the said company shall keep a like record of all the bonds that may be issued, constituting the second class of liens; and the said books of record, as aforesaid, shall at all times be open to the inspection of such persons as may desire to examine the same.

SEC. 5. *And be it enacted*, That with a view of affording facilities to contractors on the canal, and to aid the company in its

transactions, the said Chesapeake and Ohio Canal Company are hereby authorised, if they deem it expedient, to issue their promissory notes, in sums not less than one dollar, and bearing an interest at the rate of six per cent. per annum; the same to be convertible on demand into bonds of the company of the first class of liens, when presented to a sufficient amount: *Provided*, That the said company shall not issue said promissory notes to an amount exceeding one hundred thousand dollars in any one quarter of a year, nor in the aggregate more than half a million of dollars.

SEC. 6. *And be it enacted*, That, for the purpose of securing the payment of the principal and interest on the bonds that may be issued by the said Chesapeake and Ohio Canal Company, for the future completion of the said canal to Cumberland, as is provided for in the first clause of the first section of this act, this State hereby pledges the distributive share of the proceeds of the sales of the public lands that may be hereafter paid to this State under and by virtue of the act entitled, "An act to appropriate the proceeds of the sales of the public lands, and to grant preemption rights," passed by the Congress of the United States, and approved on the fourth day of September, eighteen hundred and forty-one, or any law amendatory of or supplementary to the same, so far as the said distributive share of said proceeds may, from time to time, be necessary to pay said interest, or supply a deficiency in the sinking fund provided for the purpose of paying the principal of said debt by the ninth section of this act, after the same shall begin to accumulate. And the Treasurer of the Western Shore of this State is hereby directed to pay over the said proceeds, from time to time, as the same may be received by him, upon the requisition of the president and directors of said company, and upon being satisfied that the said proceeds are needed for the purpose or purposes aforesaid.

SEC. 7. *And be it enacted*, That the said Chesapeake and Ohio Canal Company shall, within a reasonable time after this law shall take effect, and before it shall issue any bonds as aforesaid, execute in due and legal form a deed of mortgage to this State, upon all the tolls, rights, effects, property and estate of said company, to pay, indemnify and save harmless this State for or on account of any loss that may be sustained or advances that may be made to or for the use and benefit of said Chesapeake and Ohio Canal Company, under and by virtue of this act, which said mortgage shall be recorded in the office of the said company, in the same book with the bonds of the second class of liens, and the original shall be delivered to the Treasurer of the Western Shore of Maryland, for safe keeping, and the same shall thereupon be good and valid, to all intents and purposes: *Provided*, That the rights and interest conveyed by said mortgage shall in no way impair or interfere with the priority of liens by the first section of this act created or provided for.

SEC. 8. *And be it enacted*, That the interest on the bonds constituting the liens of the first class, as aforesaid, shall be paid out of the nett revenue of the canal between Georgetown and Cumberland, as hereinbefore provided, from time to time, as the said interest becomes due, and in the order in which it becomes due; and when the annual nett revenues of the canal, as aforesaid, shall be more than may be required to pay the interest on said bonds, then the surplus shall be applied to the payment of the interest on the bonds constituting the liens of the second class, as the same may become due, and in the order in which it may become due.

SEC. 9. *And be it enacted*, That for the purpose of providing for the payment of the principal of the debt by the first section of this act authorised to be contracted for the completion of the said canal to Cumberland, the same constituting the liens of the first class as aforesaid, it shall be the duty of the president and directors of the Chesapeake and Ohio Canal Company, as soon as the nett revenues from the canal between Georgetown and Cumberland, as hereinbefore provided, will enable them to do so, after paying the interest that may from time to time accrue on the bonds, as is provided by the preceding section, to pay over to the Treasurer of the Western Shore of Maryland a portion of the said residue, not exceeding the sum of thirty thousand dollars annually, to be by him accumulated and invested by him as a sinking fund for the purpose aforesaid, until the said debt and interest has been fully paid or provided for as aforesaid. And after the sinking fund for the said debt, constituting the lien of the first class, shall in each year have been paid and provided for as aforesaid, the said president and directors shall in like manner pay over to said Treasurer a portion of the surplus revenue that may thereafter remain, not exceeding the sum of twenty-five thousand dollars, to accumulate and be invested as a sinking fund, to pay the principal of the debt constituting the lien of the second class.

SEC. 10. *And be it enacted*, That the president and directors of the Chesapeake and Ohio Canal Company may let the unfinished portion of said canal to Cumberland under one entire contract, or let out the same under several contracts, from time to time, as may be most advantageous to the company, having due regard to the early completion of the work as an object of primary importance.

SEC. 11. *And be it enacted*, That the president and directors of the said Chesapeake and Ohio Canal Company, whenever they may be advised to do so by the agents representing this State in said company, or a majority of them, be, and they are hereby authorised and required to enter into a contract or contracts for constructing a branch, by slack-water navigation or otherwise, "from the main canal at Cumberland to the coal banks at or near the mouth of Savage river;" and to pay the interest that may become due or in arrear on the bonds or obligations of the company that may be issued for that purpose, bearing an interest not

exceeding seven per cent. per annum, to be payable semi-annually, and the principal to be payable in thirty years after the dates thereof, and to provide a sinking fund of twenty thousand dollars annually, until a sufficient amount is accumulated to discharge the principal of said bonds when they become due, the nett tolls that may hereafter accrue and be received on said branch between the mouth of Savage and Cumberland, and the one-half part of the tolls that may be received by the said company for the use of the main canal for the transportation from Cumberland eastwardly, of articles loaded on said branch at any point west of Cresaptown, and introduced from the same into the main canal at Cumberland, so far as is necessary for the purposes aforesaid, be, and the same are hereby appropriated and pledged, any thing herein contained to the contrary notwithstanding; and the said company are hereby further authorised and required, by any proper form of security, to pledge or mortgage the tolls and profits by this section appropriated to the purposes aforesaid: *Provided*, that the cost of said branch from Cumberland to or near the mouth of Savage shall not exceed the sum of one million of dollars: *And provided also*, that nothing done under this section shall be construed to deprive said company of its right of choice in the selection of a route for the main canal from Cumberland westwardly, whenever it sees fit to exercise the same agreeably to the provisions of its charter; and to enable the said company to carry into full effect the provisions of this section, the priorities of this State upon the tolls of the said canal to the extent herein mentioned shall be, and are hereby further deferred and postponed.

Sec. 12. *And be it enacted*, That nothing in this act contained, nor any provision thereof, nor any thing done under the same, shall be construed to take away or in any manner impair the right of the State of Maryland to foreclose any mortgage or mortgages, or enforce any lien or liens, heretofore executed to the said State, by the said Chesapeake and Ohio Canal Company whereon the said State, by a resolution of the General Assembly, shall order or direct the same to be done; nor shall it be necessary to make any person or persons, owning or interested in any of the bonds, liens, or mortgages, that may be issued or executed, as provided for in this act, parties to any proceedings that may be instituted for that purpose; and in case any mortgage or mortgages, as aforesaid, shall be foreclosed, the capital stock, estates, goods, chattels, rights and securities, tolls and revenues, of the said canal shall be held by this State, subject to all the liens and pledges by this act made, created, and provided for; and the State shall take for its own proper use no part of the tolls or revenues of said canal until the interest on the bonds mentioned in the first section of this act, together with the sinking fund for the payment of the principal thereof, shall be fully paid or provided for.

(C.)

List of officers in the service of the Chesapeake and Ohio Canal Company, on the 31st day of May, 1842, with the rate of compensation per year to each.

Michael C. Sprigg, President, - -		$1,000	
James M. Coale, Frisby Tilghman, John R. Dall, John O. Wharton, Daniel Burkhart, John P. Ingle,	Directors, $4 per day while actually engaged in service, not to exceed $300 to each per year -	1,800	
Thomas Turner, clerk and superintendent of tolls		1,500	
Robert Barnard, treasurer and accountant		1,200	
			$5,500
Charles B. Fisk, chief engineer - -		2,000	
Henry M. Dungan, assistant engineer - -		1,100	
			3,100
John Y. Young, superintendant 1st division -		700	
William S. Elgin, superintendent 2nd division		700	
George W. Rodgers, superintendent 3rd division		700	
John G. Stone, superintendent 4th division		700	
			2,800
Benjamin F. Mackall, collector of tolls, Georgetown		600	
Henry Jamison, collector of tolls, Point of Rocks		200	
William S. Elgin, collector of tolls, Harper's Ferry		300	
Elie Stake, collector of tolls, Williamsport -		300	
Arthur Blackwell, collector of tolls, Hancock -		300	
			1,700
John B. Hilton, keeper of lock B, Washington -		50	
James O'Riley, keeper of locks Nos. 1, 2, 3 and 4, Georgetown - - - - -		600	
Thomas B. Offutt, keeper of lock No. 5. and guard-lock, - - - - -		250	
James Delzell, keeper of lock No. 6 - -		150	
Michael Hart, keeper of lock No. 7 - -		150	
Levi Barrett, keeper of lock No. 8 - -		150	
Osbourn Crawford, keeper of locks Nos. 9 and 10		200	
Wilton Burgess, keeper of lock No. 11 - -		150	
Frederick Metts, keeper of locks Nos. 12, 13 and 14		250	
Hezekiah Metts, keeper of locks Nos. 15 and 16		276	
William H. Henderson, keeper of locks Nos. 17 and 18		276	
Daniel Collins, keeper of locks Nos. 19 and 20 -		200	
Robert C. Fields, keeper of lock No. 31 -		150	
John Fields, keeper of lock No. 22 - -		150	
William H. Hammontru, keeper of lock No. 23 and guard - - - - -		200	
Charles H Shanks, keeper of lock No. 24 -		150	

Asa Aud, keeper of lock No. 25 and outlet	- -	250
James Fitch, keeper of lock No. 26	- -	150
Thomas Walter, keeper of lock No. 27	- -	150
James Davis, keeper of lock No. 28	- -	150
John Walter, keeper of lock No. 29	- -	175
Dennis Harrison, keeper of lock No. 30	- -	175
William Kuhn, keeper of lock No. 31	- -	100
A. W. Jones, keeper of lock No. 32	- -	175
John Crowley, keeper of lock No. 34	- -	175
William McKay, keeper of locks Nos. 35, 36 and guard		300
John Kerchivel, keeper of lock No 37	- -	150
George Hughes, keeper of lock No. 38 and outlet		200
John Gwynn, keeper of lock No. 39	- -	150
Andrew McKoy, keeper of lock No. 40	- -	150
Levi R. Shaw, keeper of guard-lock No. 4	-	150
Henry Boyd, keeper of locks Nos. 41 and 42	-	200
Michael Crisman, keeper of lock No. 43	- -	150
Joseph Hollman, keeper of lock No. 44 (use of water power.)		
Jacob Motter, keeper of guard-lock No. 5	-	150
John Herbert, keeper of locks Nos. 45 and 46	-	200
Daniel Brewer, keeper of locks Nos. 47, 48, 49 and 50		300
Upton Rowland, keeper of locks Nos. 51 and 52		200
H. Conner, keeper of lock No. 53	- -	150
Thomas Fleming, keeper of guard-lock No. 6	-	175
		$7,477
Total - - - - -		$20,577

RECAPITULATION.

President, directors, clerk and treasurer - -	$5,500
Engineer and assistant - - - -	3,100
Superintendents - - - - -	2,800
Collectors of toll - - - - -	1,700
Lock-keepers - - - - -	7,477
Total - - - - -	$20,577

THO. TURNER,

Clerk Chesapeake and Ohio Canal Company.

CANAL OFFICE,

Frederick, May 31, 1842.

NOTE.—The aggregate pay of the directors for the year ending 31st May, 1842, was $924.

(D.)

Statement exhibiting the pay of officers in the service of the Chesapeake and Ohio Canal Company, on the 1st days of June, 1841 and 1842, and the difference at those respective dates.

1st. On the 1st day of June, 1841:		
To the President, directors and clerks, in office at Frederick - -	$10,200 00	
Engineers, rodmen, &c., and commissioner - - - -	12,717 50	
Superintendents, collectors, and lock-keepers - - - - -	12,477 00	
		$35,394 50
2d. On the 1st day of June, 1842:		
To the President, directors and clerks, in office at Frederick - -	5,500 00	
Chief engineer and assistant -	3,100 00	
Superintendents, collectors, and lock-keepers - - - -	11,977 00	
		20,577 00
Showing a reduction, on the 1st day of June, 1842, of		$14,817 50

THO. TURNER,
Clerk Chesapeake and Ohio Canal Company.

CANAL OFFICE,
Frederick, June 1, 1842.

E.

General statement of the debts and credits of the Chesapeake and Ohio Canal Company, May 31, 1842.

Dr.				Cr.			
To promissory notes issued by the Company, remaining unredeemed, viz:				By Maryland 5 pr. ct. sterling bonds, in the hands of Baring, Brothers & Co., £133,000; which estimated at 72 p.ct.	£ s. d. 95,760 0 0		
Post notes 1834, at 4 per cent. interest		$555 00		Deduct balance of their account rendered to 1st January, 1842 - £76,333 17 0			
Interest accrued thereon - - -		22 20		Add thereto the int. for 5 months to this date - 1,590 5 9			
		577 20			77,924 2 9		
P. notes 1837, at 6 pr. ct. int.	$445 00			Less coupons which they will receive on 1st July £3,325 of which to this date - - - - - 2,770 16 8			
On which interest may be demanded - - -	120 15						
		565 15			75,153 6 1		
P. notes 1839, at 6 pr. ct. int.	5,975 00						
On which interest may be demanded - - -	896 25						
		6,871 25					
P. notes 1840, at 6 pr. ct, int.	487,930 00						
On which interest may be demanded - - -	41,232 65						
		539,162 65		Balance - - - - - - -	20,606 13 11 at 4 4-9		$91,585 31
Notes reissuable, under $5, not bea'g int.		5,864 50					
Notes reissuable, $5 and upwards, do		1,260 09					
			554,300 75	Balance due from Swan, Gittings and Gunton, trustees - - - -	$56,192 62		
Bonds issued in payment of post notes - - -	5,000 00			Add one year's interest - - -	3,371 52		59,564 14
On which int. has accrued	392 00						
		5,392 00		Due from the State of Maryland for advance (to her commissioners to Europe, to negotiate the loan of December session, 1836) in 1837. - -	8,000 00		
Bonds issued in payment of creditors - - -	70,488 50						

On which int has accrued	4,195 68			Add 5 year's interest - - -	3,000 00	
		74,684 18				11,000 00
Acceptances of the drafts of contractors - - -	137,182 34			Due from subscribers to the cap'l. stock	148,795 00	
On which int. has accrued	11,328 90			Deduct, presumed to be uncollectable	100,000 00	
		148,511 24				48,795 00
			228,587 42	In Treasury - - - $5,494 42		
Balances due to contractors, (estimated)	215,000 00			Less overdrawn in Chesapeake Bank $4,113 38		
Balances due for land - - -	43,000 00			And warrants unpaid 74 00		
Balances due other outstanding claims	70,000 00				4,187 38	
			328,000 00		1,307 04	
State of Maryland for interest to this date on the loan of $2,000,000 -	-		345,000 00	Tolls "in transitu," (estimated) -	10,000 00	
						11,307 04
				Maryland 5 pr. ct. sterling bonds. not yet issued by the commissioner of loans, £475, at 75 per ct., £356 5s., at 4 4-9	-	1,583 45
						223,834 94
				Balance deficient 1st June, 1842 -	-	1,232,053 23
			1,455,888 17			1,455,888 17

THOMAS TURNER, *Clerk.*

OFFICE CHESAPEAKE AND OHIO CANAL COMPANY,

Frederick City, June 1, 1842.

F.

General abstract of the receipts and expenditures of the Chesapeake and Ohio Canal Company to May 31, 1842.

The receipts arise from the following sources, viz:			The disbursements are charged to the following, viz:	
Capital stock,		$8,210,379 16	Contingent expenses,	$56,972 05
State of Maryland Loan,		2,000,000 00	Contingent expenses of Com. C. & O. C.	970 54
Profit and loss,		200,952 93	Western section,	6,686 57
Baltimore and Ohio Rail Road Co.		268,723 02	Profit and loss,	1,117,566 12
Acquisition of land,		1,769 76	Acquisition of land,	400,574 52
Construction of the canal,		9,748 29	Construction of the canal,	8,772,728 49
Engineer department,		2,500 24	Engineer department,	327,439 80
Interest,		226,819 66	Interest,	762,066 32
Law expenses,		2,293 55	Law expenses,	24,562 19
Potomac company, general account,		418 52	Potomac company, general account,	373 65
Potomac company, unclaimed dividends,		366 30	Potomac company, unclaimed dividends,	149 85
Potomac company, tolls,		26,017 20	Potomac company, tolls,	22,643 65
Tolls,		337,153 50	Tolls,	1,922 37
Water rents,		4,370 32	Pay of lock keepers,	38,136 83
Baring, Brothers & Co.		416,120 99	Pay of officers,	115,118 51
Exchange,		195,931 53	Baring, Brothers & Co.	84,458 92
Bonds issued in payment of post notes,		5,000 00	Incidental damages,	34 40
	Total issue. / Redeemed.		Postages,	1,958 00
Notes re-issuable,			Printing,	10,425 17
under $5	98,000 00 / 92,135 50	5,864 50	Stationery,	4,054 34
$5 and upwards,	80,000 00 / 78,740 00	1,260 00	Judg. obtained against C. E. for suppression of riots on the line of canal,	2,337 22
Post notes, '37,	240,000 00 / 239,555 00	445 00		

Post notes, '39, 300,000 00	294,025 00	5,975 00	State of Md. advanced in '37 to the com'rs going to Europe to neg. 3 million loan,		8,000 00
Post notes, '40, 585,805 42	97,975 42	487,830 00			
					$11,759,206 51
			Balances to the credit of C. & O. C. C. with:		
			Maryland 5 p. c. stg. bonds,	$593,222 22	
			Swan, Gittings & Gunton, "trs."	56,192 62	
			Thomas Fillebrown, jr. - -	11 07	
			Far's & Mec's B'k of Fred'k Co.	19 18	
			Far's & Mec's B'k, Georgetown,	5,212 93	
			Bank of Potomac, - - - -	48 31	
			Wash'ton Co. B'k, Williamsport, current, - - - -	$87 50	
			Wash'ton Co. B'k, Wm's-port, scrip, - -	52 50	
				140 00	
				654,846 34	
			Deduct overdrawn in Ches. B'k,	4,113 38	
					650,732 96
		$12,409,939 47			$12,409,939 47

E. E.

TREASURER'S OFFICE, CHESAPEAKE AND OHIO CANAL COMPANY,

ROBERT BARNARD, *Treasurer.*

Frederick City, June 1, 1842.

G.

Abstract of the receipts and expenditures, by the Treasurer of the Chesapeake and Ohio Canal Company, in the year ending May 31st, 1842.

The receipts arise from the following sources viz:			The disbursements are charged to the following, viz:		
Capital stock		$5,284 03	Contingent expenses		$410 75
Construction of the canal		295 01	Profit and loss		1,045,986 61
Interest		45,531 78	Acquisition of land		1,581 48
Law expenses		45 22	Construction of the canal		38,754 44
Tolls		58,649 20	Engineer department		5,805 04
Water rents		2,014 99	Interest		1,969 84
Baring, Brothers and Company		44,444 44	Law expenses		412 77
Exchange		5,542 09	Potomac Company, unclaimed dividends		61 05
Bonds, (in exchange for post notes)		1,000 00	Tolls		325 00
		162,806 76	Baring, Brothers and Company		84,458 92
Acquisition of land		100 00	Pay of lock-keepers		1,934 47
Balances, 1st June, 1841, to the credit of the Ches. and Ohio Canal Company, with—			Pay of officers		8,209 90
Md. 5 per cent. ster. bonds	$1,629,292 84		Postages		137 08
Md. 6 per cent. certificates	3,500 00		Printing		128 00
Ohio 6 per cent. stock	5,087 50		Stationery		49 82
Pennsylvania 5 per cent. stock	41,593 00		Judgment obtained against chief engineer, for suppressing riots, &c.		2,337 22
Swan, Gittings and Gunton, trustees	56,192 62		Notes re-issuable, under $5		142 75
			Notes re-issuable, $5 and upwards		20 00
			Post notes, 1837		15 00

George Peabody, London -		110 56		Post notes, 1839 - - - - -		525 00
Thomas Fillebrown, jr. -		11 07		Post notes, 1840 - - - -		50,645 00
Bank of Washington - -		2 53				1,243,910 14
Bank of Potomac, Alexandria -		48 31				
Far. & Mech's Bank of Fred'k Co.		11 29		Bal. to the credit of Ches. & O. C. Co., with,		
	1,735,849 72			Maryland 5 pr. ct. ster. bonds	$593,222 23	
Deduct over drawn in Chesapeake Bank - -	4,113 38			Swan, Gittings and Gunton, trustees - - -	56,192 62	
		1,731,736 34		Thomas Fillebrown, jr. -	11 07	
				Far. & Mech. Bank of Fred'k. Co.	19 18	
				Farmers and Mechanics Bank, Georgetown - - -	5,212 93	
				Bank of Potomac, Alexandria	48 31	
				Washington Co. Bank, Williamsport current, $87 50, post notes $52 50 - - -	140 00	
					654,846 34	
				Deduct over drawn in Chesapeake Bank - - -	4,113 38	
						650,732 96
		1,894,643 10				1,894,643 10

E. E. ROBERT BARNARD, *Treasurer.*

TREASURER'S OFFICE, CHESAPEAKE AND OHIO CANAL COMPANY,
Frederick City, June 1st, 1842.

H.

Statement of the promissory notes issued by the Chesapeake and Ohio Canal Company, outstanding June 1, 1841, and of those which have been redeemed since that date, to May 31, 1842.

		Notes under $5, payable on demand.	Notes of $5 and upwards, payable on demand.	Notes of $5 and upwards, payable at 6 months date, with interest, 1837,	Notes of $5 and upwards, payable at 6 months date, with interest, 1839.	Notes of $5 and upwards, payable at 9 months date, with interest, 1840.
1841. June 1	Balance outstanding - (See 13th annual rep., pages 46 and 47.)	6,007 25	1,280	460	6,500	538,475
	Dollars -	6,007 25	1,280	460	6,500	538,475
1842. June 1	To balance out -	5,864 50	1,260	445	5,975	487,830

	Notes under $5, payable on demand.	Notes of $5 and upwards, payable on demand.	Notes of $5 and upwards, payable at 6 months date, with interest, 1837.	Notes of $5 and upwards, payable at 6 months date, with interest, 1839,	Notes of $5 and upwards, payable at 9 months date, with interest, 1840.

1841.					
June 30, redeemed	4 25	- -	- -	- -	1,300
July 31, "	- -	- -	- -	65	9,835
Aug. 31, "	- -	- -	- -	5	3,770
Sept. 30, "	21 75	- -	- -	20	1,570
Oct. 31, "	76 50	- -	10	25	10,910
Nov. 30, "	50	- -	- -	15	4,310
Dec. 31, "	21 25	20	5	190	7,885
1842.					
Jan. 31, "	- -	- -	- -	- -	285
Feb. 28, "	2 00	- -	- -	40	2,440
March 31, "					
April 30, "	5 00	- -	- -	165	4,330
May 31, "	11 50	- -	- -	- -	4,010
	142 75	20	15	525	50,645
Balance to June 1	5,864 50	1,260	445	5,975	487,830
Dollars	6,007 25	1,280	460	6,500	538,475

E. E.

ROBERT BARNARD, *Treasurer.*

TREASURER'S OFFICE, CHESAPEAKE AND OHIO CANAL COMPANY, FREDERICK CITY, *June* 1, 1842.

No. 1.

Statement of acceptances outstanding, and of the interest accrued thereon, to 31st May, 1842.

These consist of such as are past maturity, and which fell due as under, viz:

October, 1838		$13,256 00,	on which the following interest has accrued to this date, viz:		$2,900 85
Feb.,	1839	2,000 00	do	do	393 33
Feb.,	1840	11,137 40	do	do	1,526 40
March,	1840	3,547 53	do	do	470 26
April,	1840	900 00	do	do	117 00
May,	1840	6,593 34	do	do	808 92
July,	1840	1,000 00	do	do	111 00
August,	1840	15,186 40	do	do	1,642 46
Sept.,	1840	1,000 00	do	do	101 00
October.	1840	1,140 68	do	do	116 85
Nov.	1840	400 00	do	do	37 20
May,	1841	918 75	do	do	56 34
July,	1841	1,712 00	do	do	91 88
			$58,792 10		8,373 51

And of such as will fall due as under, viz:

July,	1842	$718 43		
August	1842	20,389 76		
Sept.	1842	24,286 08		
October,	1842	4,718 80		
Nov.	1842	3,000 00		
Dec.	1842	11,234 95		
January,	1843	1,508 63		
Feb.	1843	100 00		
March,	1843	356 43		
April,	1843	12,077 16		
			78,390 24	2,955 39

Total principal - -	137,182 34	Interest -	11,328 90
	11,328 90		
Aggregate - - -	148,511 25		

E. E.

ROBERT BARNARD, *Treasurer.*

TREASURER'S OFFICE C. & O. C. Co.

Frederick City, May 31, 1842.

No. 2.

Statement exhibiting the proceeds of the sale of the funds drawn from George Peabody, of London, and distinguishing the premium received, which constitutes, in fact, a part of the proceeds of the Maryland 5 per cent. sterling bonds.

Date of disposition.	Parties by or to whom the drafts were disposed of.	Amount in sterling.	Equivalent in dol. at $4 4-9 per £ sterling.	Amount of proceeds of sale.	Exchange secured.	Rate of exchn'ge pr. cent.	Objects to which the proceeds were applied.
1838.		£. s. d.					
May	Bank of America, N. Y.	40,000 0 0	$177,777 77	$197,951 49 2,709 00	$17,464 72	9.824	General exp'diture* & redemption of post notes.
				195,242 49			
	At home, to sundries	7,001 14 10	31,118 84	33,985 90	2,867 06	9.1352	General expenditure.
	D. Sprigg, cashier, Balt.	102,482 17 2	455,479 35	491,755 64	36,276 29	7.9644	General expenditure and redemption of bonds.
	T. Phenix, cashier, Balt.	26,836 14 0	119,274 15	129,269 98	9,995 83	8.3804	General expenditure, redemption of bonds, and interest to State of Maryland.
	Bank of America, N. Y.	83,603 13 10	371,571 94	406,687 35	35,115 41	9.4504	Do.
1839.							
June	P. Janney, Alexandria	3,171 14 0	14,096 44	15,376 61	1,280 17	9.0081	General expenditure.
	Bank of Washington	15,000 0 0	66,666 67	72,721 00	6,054 33	9.0814	Do.
July	A. Brown & Sons, Balt.	21,304 17 0	94,688 22	102,309 48	7,621 26	8.0487	To repay loan $100,000.
	Bank U. States Penn.	41,666 13 4	185,185 18	200,000 00	14,814 82	8.	Do. $200,000.
Augt.	Bank of Washington	14,000 0 0	62,222 22	66,733 33	4,511 11	7.25	To red'm post notes 1837

Statement No. 2—Continued.

	F. Thomas, President	£19,000 0 0	$84,444 44	90,026 32	5,581 88	6.61	To purchase remittances to George Peabody.
	Bank of America, N. Y.	41,860 9 3	186,046 50	200,000 00	13,953 50	7.50	Redemption of bonds.
	Girard Bank, Phila.	6,308 8 2	28,037 38	30,000 00	1,962 62	7.	Do.
Sept.	N. A. Trust and Banking Company, N. Y.	15,000 0 0	66,666 67	71,666 67	5,000 00	7.50	Pay't of estimates 1 Sep.
Oct.	F. Thomas, President	7,200 0 0	32,000 00	34,240 00	2,240 00	7.	General expenditure.
	Alex. Brown & Sons, Baltimore	6,223 19 6	27,962 11	30,290 00	2,627 89	9.50	Re-payment of $30,000 loaned to pay interest to State of Maryland.
	Bank of Potomac, Alex.	12,375 0 0	55,000 00	59,950 00	4,950 00	9.	Re-payment of loan.
1840.							
March	Chesapeake Bank, Balt.	9,000 0 0	39,999 97	44,921 76	4,921 79	12.3042	General expenditure.
April -	A. Brown & Sons, Balt.	497 15 9	2,212 39	2,500 00	287 61	13.	Commissions on loans & negotiations effected.
	Chesapeake Bank, Balt.	10,000 0 0	44,444 43	49,965 44	5,521 01	12.3004	General expenditure.
May -	Bank of Potomac, Alex.	5,000 0 0	22,222 22	25,000 00	2,777 78	12.50	Do.
	A. Preston, Washington	260 0 0	1,125 55	1,300 00	144 45	12.50	Do.
June -	Chesapeake Bank, Balt.	3,000 0 0	13.333 33	14,733 39	1,400 06	10.50	Do.
July -	Do do	2,000 0 0	8,888 88	9,750 56	861 68	9.6940	Do.
August	Do do	10,000 0 0	44,444 44	47,777 77	3,333 33	7.50	Do.
Octob'r	Do do	242 4 3	1,076 56	1,165 35	88 79	8.2475	Do.

	503,036 1 1	2,235,715 65	2,527,269 04	191,653 39	8.5712	
P'd Sanderson & Co. for drafts on them, loaned by Christmas & Co. -	22,288 4 9	99,058 84	108,369 44	9,410 60	9.50	
	525,324 5 10	2,334,774 40	2,535,838 48	201,063 99	8.997	
Deduct am't. remitted to Geo. Peabody, to provide for the Co's. drafts £18,121 7 8						
Dr's to N. A. Tr. & Banking Com'y. returned for non-paym't. 15,000 0 0						
	33,121 7 8	147,206 13	159,888 68	12,682 55		
	492,202 18 2	2,187,568 36	2,375,949 80	188,381 44	9.024	

*The total profit on the gold shipped, which constitutes this item, was - -			$20,173 72
The charges were—Commissions - - - - -	$894 44		
Insurance - - - - -	1,113 56		
Freight, drayage, &c. - - -	701 00		
		2,709 00	
			$17,464 72

No. 3.

Brief abstract of the entries made in the books of the Chesapeake and Ohio Canal Company, exhibiting the results of the disposal of the bonds issued by the State of Maryland, in fulfilment of her subscription of $4,375,000, *to 1st Sept.* 1841.

Drs.		Crs.				
		Capital Stock.	State of Maryland.	Maryland six per centum certificates.	Maryland 5 per cent. sterling bonds.	George Peabody of London.
$4,495,000 00	State of Maryland -	$4,375,000 00	–	–	–	–
3,000,000 00	Maryland 6 p. c. certificates	–	$3,000,000 00			
4,657,666 66	Maryland 5 p. c. stg. bonds	–	1,495,000 00	$2,965,000 00	–	–
2,624,545 87	George Peabody of London	–	–	–	$2,049,611 11	–
69,681 15	Bar. Bro. & Co. of London	–	–	–	–	–
103,500 00	Ohio 6 per cent. stocks -	–	–	–	–	103,500 00
76,160 00	Pennsylvania 6 p. c. stocks	–	–	–	–	76,160 00
216,045 63	Interest - - -	–	–	–	–	216,045 63
1,087,148 03	Profit and loss - -	–	–	3,500 00	1,036,070 61	41,161 42
361,075 88	Trustees to redeem scrip	–	–	–	344,117 26	–
$16,690,823 22		$4,375,000 00	$4,495,000 00	$2,968,500 00	$3,429,798 98	$436,867 05

No. 3.—Continued.

Drs.	Cas.						
	Baring, Bros. & Co., of London.	Ohio 6 per ct. stocks.	Pennsylvania 5 per cent. stocks.	Advances to other internal improv't co's.	Interest.	Profit & Loss.	Total Credits.
State of Maryland	–	–	–	120,000 00			
Maryland 6 p. c. certificates							
Marylaed 5 p. c. stg. bonds	–	–	–	–	–	$197,666 66	
George Peabody of London	$371,676 55	$98,412 50	$34,567 00	–	$70,278 71		
Bar. Bro. & Co. of London	–	–	40,264 50	–	29,416 65		
Ohio 6 per cent. stocks							
Pennsylvania 6 p. c. stocks							
Interest							
Profit and loss	–	5,087 50	1,328 50				
Trusteees to redeem scrip	–	–	–	–	16,958 62		
	$371,676 55	$103,500 00	$76,160 00	$120,000 00	$116,653 98	$197,666 66	16,690,823 22

NOTE.—The transactions in Ohio and Pennsylvania stocks, which appear to have resulted in a loss, were exchanges made by Mr. Peady, of Maryland five per cent. stocks for said stocks, whereby he did, in fact, realize two to three per cent. better price for the Maryland than by actual sales otherwise.

There remain in the Maryland 5 p. ct. sterling bonds £133,475

Viz:

In the hands of Barings & Co., upon which they have made the advance to their credit as above - - - - - -	£133,000
Not yet issued to the company - - -	475
See page 27 of the 13th annual report	133,475 Sterling.

The sum to the credit of profit and loss, is the $200,000 given in exchange of the six per cent. for five per cent. stocks, less the ratio upon $35,000 of the six per cent. not taken up by the company. These were sold, by the parties to whom they were hypothecated, at a loss to the company of $3,500.

The final result of the mode selected by the State of Maryland for payment of her subscription of $3,000,000, and of the further aid of $1,375,000, and of the manner in which the company disposed of the bonds, has been an aggregate loss as under, viz:

On the sale of the 5 per cents -	$1,036,070 61	
Commissions paid in this country, (see page 27 of the 13th annual report) - - - - - - - -	11,951 49	
		$1,048,022 10
On the sale of the 6 per cents -		3,500 00
Commissions and brokerages to G. Peabody, for managing the company's affairs in London - -		41,161 42
		1,092,683 52
On the Ohio and Penn'a stocks -		6,416 00
Aggregate loss - - -		1,099,099 52
Relieved only by the proceeds of the stock given as exchange of the 6 per cents for 5 per cents at par - - - - - - - - -	197,666 66	
And the nett exchange secured upon the drafts on George Peabody, upon the faith of the stock transmitted to him - - - - -	188,381 44	
		386,048 10
Nett loss - - - - -		$713,051 42

No. 4.

Statement of bonds outstanding, and of the interest accrued thereon, to 31st May, 1842.

These consist of such as are past maturity, and which fell due as under, viz:

Oct. 18, 1840	$17,379 20,	on which the following interest has accrued to this date, viz:		$2,218 72
Mar. 17, 1842	3,112 75	do	do	220 50
		$20,491 95		2,439 22

And of such as will fall due as under, viz:

Dec. 1842, Breslin	$3,721 63		
Dec. 1842, Hoblitzel	13,000 00		
Dec. 1842, Gatton	15,783 74		
April, 1843, Cullin	304 89		
April, 1843, Grove	813 74		
April, 1843, Gormley	8,062 65		
April, 1843, Maccubbin	8,309 90		
		49,996 55	1,756 46
Total principal - - -		70,488 50	Interest 4,195 68
		4,195 68	
Aggregate - - - -		74,684 18	

E. E.

ROBERT BARNARD, *Treasurer.*

TREASURER'S OFFICE C. & O. C. Co.

Frederick City, May 31, 1842.

CANAL OFFICE, *Frederick, June* 6, 1842.

GENTLEMEN: Since my report of the 20th of December, 1841, so little has been done towards the completion of the canal to Cumberland, that it is not necessary now to enter into much detail respecting the present state of the work.

That report says: "Herewith I enclose a detailed estimate, of date the 1st instant, of the *work done*, and that *to be done*, on the 50 miles of unfinished canal between dam No. 6 and Cumberland.

"I have divided the work into three classes:

"The first class embraces that portion of the work which *was done* on the 1st instant, and which has been finally estimated.

"The second class comprises all the work *now under* contract, including some which will probably be finished under the contracts lately suspended, if operations on the line should shortly be resumed.

"The third class embraces all the residue of the work, it being *all the work not now under contract.*

	Word done. Dec. 1, 1841.	Work to be done. Dec. 1, 1841.
The first class, as per accompanying statements, amount to	$2,073,714	
The second class, as per accompanying statements, amounts to	772,150	$328,023
The third class, as per accompanying statements, amount to		$1,363,113
Totals	$2,845,864	1,691,136
Added		2,845,864
And we have		4,537,000

as the present estimated cost of construction of the *fifty miles* between dam No. 6 and Cumberland, supposing no change in the plans of building the remaining locks, culverts and lock-houses, from those originally contemplated.

"It appears in the accompanying estimate, that $120,000 may be saved in the first cost of locks No. 59 to 71, inclusive, and the culverts and lock-houses remaining to be built, if the composite plan should be adopted for the locks, brick for the arches of the culverts, and log buildings for the lock-houses.

"I am still of the opinion, more than once expressed by me, that the changes of plan just spoken of should be adopted, except, perhaps, as regards locks No. 68 to 71, inclusive, which, owing

to their favorable situation in reference to quarries, may be built at much less cost upon the original plan than the remaining locks lower down the line. If there should be reasonable and responsible offers to construct these four locks upon the old plan, showing a saving by adopting the composite plan, not exceeding in the aggregate $20,000, I would advise that the original plan be adhered to, on account of the greater ultimate saving.

"Assuming that the composite plan will be adopted for all the remaining locks except the four just named, and that the other changes spoken of as respects the culverts and lock-houses will also be made, I deduct $100,000 from 1,691,136, and there remains $1,591,136 for the sum required to complete the canal on the 1st of December, 1841.

"Of the whole fifty miles of unfinished canal between dam No. 6 and Cumberland, there remain, *in cost*, only eighteen and three-tenths miles of distance to be constructed, which is a fraction *less than one-tenth* of the entire length of the canal from Georgetown to Cumberland.

"I will remark, in reference to the present estimate, that none will doubt its sufficiency who will make themselves acquainted with its details, and the details of the several preceding estimates of the same work, and with the actual cost of the work which has been done upon the fifty miles, compared with its estimated cost in former estimates.

"The prices of the present estimate are ample, in case the work should be let at this time, and the cost of labor and provisions should not materially advance."

In January last, the services of nearly all of the engineer corps were dispensed with; and since then, subsequent to the adjournment of the Legislature, a still further reduction has been made, so that, on the first of last month, there remained only two persons in and connected with the engineer corps, viz: the chief engineer and one assistant engineer.

Immediately on the Legislature's adjourning without providing means for the completion of the canal to Cumberland, the prosecution of the work on the fifty remaining miles of unfinished canal, between dam No. 6 and Cumberland, was entirely suspended.—There is not now a laborer in employ along that whole distance.

Several final estimates, in favor of contractors who had finished their works, and one in favor of a contractor whose work was unfinished and abandoned, from the inability of the company to pay him, have been made out since the report of December last, and been received by them as satisfactory. There yet remain unadjusted many of the accounts of contractors whose works have been abandoned in an unfinished state, in consequence of the company's want of means; which are all, however, in the way of adjustment at this time, and will probably be brought to a close, so far as determining the balances due by the company, in the course of a few months.

The work *done*, and that remaining *to be done* upon the *fifty*

miles, on the first day of the present month, (June, 1842,) amount as follows:

Work done - - - - - - - -	$2,860,000
Work to be done - - - - - - -	1,577,000
Total - -	4,437,000

This assumes that the total cost of the *fifty miles* will be the same as estimated in the report of December last, and that the changes of plan therein recommended will be adopted. When all the accounts with the contractors shall have been adjusted, the work *done* and that *to be done* will probably be found to vary a little, though not materially, from the above amounts.

It may here be remarked, that the bids which were received by the board, last December, for the completion of the canal, (of which there was a large number,) were mostly lower than the engineer's estimate; and there would have been no difficulty, at that time, in letting the whole of the unfinished work, to contractors of character and respectability, at an aggregate of near ten per cent. less than the engineer's estimate. And it may be further remarked, in reference to that estimate, that it was prepared with much labor and care, and with especial reference to contracts being entered into, so far as practicable, at specific sums for the respective works; thereby getting rid of one of the causes of the insufficiency of estimates, viz: an excess in the *quantities* of work *done*, as compared with these *estimated* quantities.

It may be seen, in reference to a communication of mine to Clement Cox, Esq., chairman of a general committee of the stockholders, dated July 27, 1841, that $2,775,000, was then assumed as the amount of work which was *done* on *the fifty miles*, on the 1st day of June, 1841; this sum deducted from the amount *done* on the 1st day of June, 1842, viz: $2,860,000, leaves $85,000 for the work done *during the year* ending May 31st, 1842.

When we view the little progress that has been made the past year in the *construction* of the canal, and its very slow advancement towards completion, it is truly painful to reflect that the item of *interest* (so far as the State of Maryland is concerned) enters so largely into the past cost of the canal, is still silently and steadily increasing in amount, at a rate per annum nearly equal to the whole State tax now levied on the citizens of Maryland; and that, too, when it is well known and admitted that, until completed to Cumberland, the canal can be of not the least assistance to the State in lessening the burdens under which she is now laboring.

In the present state of the company's affairs, it becomes important to inquire, what will annually be required to keep the finished line of canal, from Georgetown to dam No. 6, in navigable order? Before answering this inquiry, I ought first to remark, that for the last few years, owing to the embarrassments of the company, there has much work been omitted to be done on the repairs, not absolutely required for the present limited trade, but which,

undone, would materially embarrass an active trade, and ought no longer to be deferred than until the opening of the navigation to Cumberland. Assuming that this same course will be continued, and, until the completion of the canal to Cumberland, that no more will be done on the repairs than is necessary to keep up the present trade, and I may safely estimate, from recent examinations into the past cost of keeping up the canal, and should no unforseen and unusual casualties occur, that $40,000 per annum will keep the canal in repair, and pay all the charges against the company, under the organization as it has existed since the first day of the last month. This sum, ($40,000,) for the 134½ miles of finished canal, averages per mile not quite $300 per annum; which is less, and in comparison with many canals considerably less, than is expended on similar improvements elsewhere.

Throughout the past year, the usual depth of water has been maintained in the canal; and it is satisfactory to state that, notwithstanding the limited means for keeping the canal in repair, there has been very little and even less than the usual detention to the navigation, from breaches. During the winter there was scarcely a day when the boats could not have been running, so far as regards interruption from ice. The season, it is true, was an unusually mild one; but previous experience, as well as the present, furnishes evidence sufficient to satisfy us that we have not erred, hitherto, in assuming that the year of navigation on this canal, in estimating its capacity for annual tonnage, may be put at 300 days. The Erie canal, since it was first opened, has averaged a year of navigation of only 235 days' continuance.

Respectfully submitted:

CHARLES B. FISK, *Chief Engineer.*

To the PRESIDENT and DIRECTORS
of the Chesapeake and Ohio Canal Company.

THURSDAY, *September 15th*, 1842.

Pursuant to the order of adjournment on the 5th day of August last, Charles S. Hammond, Esquire, one of the stockholders of the Chesapeake and Ohio Canal Company, attended this day, and the majority of the stock not being represented, the meeting was adjourned until Thursday the 17th day of November next, at 12 o'clock, M.

CANAL OFFICE, FREDERICK,
THURSDAY, *November 17th*, 1842.

Pursuant to the adjournment on the 15th day of September last, a general meeting of the stockholders of the Chesapeake and Ohio Canal Company was held this day at the office of said company in Frederick, Maryland.

Present: The State of Maryland, by
Gen. Tench Tilghman,
A. Bowie Davis, and
John Van Lear, Esquires.

On motion, General Tilghman took the chair.

Without transacting any business, on motion, the meeting was adjourned to meet again on Saturday the 3rd day of December next, at 11 o'clock, A. M.

OFFICE CHESAPEAKE AND OHIO CANAL COMPANY.
Frederick, Saturday, December 3rd, 1842.

Pursuant to adjournment, on the 17th ult., a general meeting of the stockholders in the Chesapeake and Ohio Canal Company was held this day at the office of said company, in the city of Frederick, Maryland.

On motion of General Tilghman, Governor S. Sprigg took the the Chair.

Present: The State of Maryland, by
Gov. S. Sprigg,
Gen. T. Tilghman,
John Van Lear, and
A. Bowie Davis, Esquires.
The United States, by
Lewis Johnson, Esq.
The Corporation of Washington, by
Lewis Johnson, Esq., and
Dr. W. B. Magruder.
The Corporation of Georgetown, by
E. Lyons, Esq.
Also, several private stockholders.

General Tilghman, in conformity with the resolution adopted by the stockholders on the 4th day of August last, in the following words: "*Resolved*, That General T. Tilghman be appointed a committee to investigate the subject of raising funds to complete the canal to Cumberland, and to report at the next general meeting of the stockholders," submitted the following

REPORT:

To the Stockholders of the Chesapeake and Ohio Canal Company:

By an order of the stockholders of the Chesapeake and Ohio Canal Company, passed at a general meeting held in the city of Frederick, on the 4th day of August, 1842, the undersigned was directed "to investigate the subject of raising funds to complete the Chesapeake and Ohio Canal to Cumberland, and to report at the next general meeting of the stockholders."

The shortness of the time allowed for this investigation has necessarily prevented as full an inquiry into the merits of the question as the magnitude of the subject demanded.

Aware, however, of the great importance of procuring the desired information at the earliest practicable moment, in order that it might be submitted to the company in time for their action before the commencement of the approaching session of the Legislature of Maryland, the undersigned has made every effort to carry out what he believed to be the wishes of the stockholders in this respect, and flatters himself that his exertions have not been entirely without success.

Before proceeding, however, to report the information which he has obtained, the undersigned desires to make a brief reference to the *motives* which induced him to propose the investigation, in order that they may be properly understood by those stockholders who were not present on that occasion, as well as by all others whose interests may be affected by any action of the stockholders, of which this proposition may be regarded as the germe.

The immense benefits which must result from the development of the finest mineral region in the word, even to those enterprising individuals and companies who have invested their capital in preparations for the production of coal and iron, and to the still larger portion of the community who are to become the purchasers and consumers of these useful articles, would seem alone to constitute a sufficient incentive to the completion of the canal to Cumberland.

To the stockholders, its accomplishment is of paramount importance, as the only step by which their interest can ever be rendered available; and especially so to the State of Maryland, who not only holds by far the largest portion of the stock, but has to provide means for the regular payment of the interest on the loans with which this stock was purchased.

The full weight of this latter consideration can only be appre-

ciated when it is recollected that the means of paying this interest must be drawn from the people by direct taxation, and that, too, at a season of unusual distress and embarrassment.

But, heavy as the burden must be acknowledged to be, it is as dust in the balance when compared with another calamity which threatens the citizens of this devoted Commonwealth, and oppresses, as with a mountain's weight, the heart of every patriot within her borders.

The spirit of repudiation has raised its voice, even within her legislative hall; and demagogues are every where to be found, who, whilst professing the most sacred regard for their private obligations, are yet ready to appeal to the feelings of a suffering people, and to attempt to deceive them by the miserable sophistry, that repudiation in a State is less culpable than an individual.

Let it not be supposed, however, that Maryland is in immediate danger of being overwhelmed by such a disaster. She is not yet on the black list of repudiating States; and both the journals of her Legislature and the result of the recent elections, afford conclusive evidence of the fact, that thus far this doctrine has found little favor either with the Legislature or the people of the State.

But the most violent diseases are often, also, the most contagious. The first symptom of such a disease in the body politic should be the signal to every good citizen to resist its extension; and the desire to lend his aid in preventing so dire a calamity was the real motive which induced the undersigned to propose that the investigation should be made at this time.

As long as the pecuniary embarrassments of the State continue, so long will she be subject to the danger which now threatens her; and there is no mode by which she can now be relieved from her financial difficulties, unless it be by the Chesapeake anc Ohio canal to Cumberland.

It is unnecessary here to refer to the recent legislation of the State of Maryland on this subject, further than to observe that she evinces a strong indisposition to embark in any measure which would subject the people to the risk of further taxation. The wisdom of this course the undersigned most heartily approves.

In prosecuting the investigation, therefore, which he was ordered to make, he has confined himself entirely to the consideration of the question, "whether the amount required to complete the canal to Cumberland can be raised by the company alone, without the aid of the State."

To enable the company to effect this object in the most economical way, viz: by a loan obtained on the faith of the company, it may be assumed as an indispensable condition, that the State should first suspend its priority of lien upon the tolls and revenues of the canal, and thus place it in the power of the company to offer to capitalists the only security on which it is probable the loan could be procured.

The willingness of the Legislature to acquiesce in this measure may be inferred from the fact, that an act containing a provision

for the suspension of the State's right of priority upon the tolls of the canal actually passed one House at the last session of the Legislature, and from the further fact, that this section was not objected to by the other House, in which the bill was finally lost.

Regarding this difficulty as settled, it remains to be ascertained whether a loan can be effected by the company, at this time, by giving an undoubted lien on the proceeds of the whole canal, to meet interest, and the eventual payment of principal, on the amount requisite to complete the canal to Cumberland.

To this question a definite reply cannot now be given. Before doing so, it would be necessary to extend the investigation into the European market; and to afford a reasonable prospect of success in such a negotiation, it would probably be advisable to have it conducted, in person, by an agent sent out for that purpose. The undersigned has taken measures, however, to ascertain the opinions of several of the most eminent capitalists and distinguished financiers in this country, as to the probable result of such an attempt; and they all concur in the belief that the money might be obtained, and without much difficulty, from the present holders of the State bonds in Europe.

If sufficient security could be offered them, they would have the strongest inducement to make the loan, as the surest means of preventing the heavy losses to which they may be subjected by the still greater depreciation of the bonds which they now hold.

There is another mode of raising the required amount, which, although perhaps less economical, is certainly more feasible than the one above mentioned. With regard to this, the undersigned is happy to have it in his power to present to your consideration information of a more definite character.

The mode referred to is simply this: To issue the bonds of the company to the amount of $2,000,000, to be given to any responsible party who shall contract to complete the canal to Cumberland for that sum; the payment of the said bonds being secured by a mortgage on the tolls and revenues of the work, in the manner hereinbefore mentioned.

The completion of the canal is to be made an indispensable condition, and to constitute the very foundation of the proposed plan; and it is hoped that this feature will go far to recommend it to the favorable consideration of the stockholders, provided that parties can be found who are willing to undertake it, and who are certainly able to fulfil their part of the contract.

It does not propose to limit the issue of bonds to the specific amount for which it is estimated that the canal can be completed to Cumberland, for the estimates have always heretofore fallen short of the actual cost of the work, and a large allowance must be made for discount in any sale which might be made of the bonds; but it proposes to contract for the completion of the whole work for a named sum, (viz: $2,000,000,) whether that sum be found to exceed the actual cost of the construction or not; and thus to

secure the attainment of the object which all former efforts have proved inefficient to effect.

The estimated cost of the work to be done is about $1,600,000; and it is undoubtedly true that the capitalists who might give this amount for the $2,000,000 worth of bonds would make (if the work should prove as profitable as it is supposed it will,) about $400,000 by the operation. But when it is remembered that the State of Maryland alone is losing more than this amount every year in interest on the stock which she already holds in the canal, can there be a doubt as to the policy of adopting this course, at least if, upon a full investigation, it should prove to be the only mode by which the funds can be raised at this time?

Believing that a proposition of this nature would receive the favorable consideration of the stockholders, and at the same time prove more acceptable than any other, both to the Legislature and the people of the State of Maryland, the undersigned has devoted particular attention to this branch of the inquiry. On this point he is prepared to speak positively. He has not only received the most confident assurances that the required amount can be raised on the bonds of the company, but he is actually authorised, by parties who are generally believed to be responsible for the performance of whatever they may undertake in this respect, to say, that they are ready to contract to complete the canal to Cumberland for $2,000,000, to be paid in the bonds of the company, at their par value, provided the Legislature will place it in the power of the company to give the necessary security for the payment of these bonds by constituting them a prior lien on the nett revenues of the canal between Georgetown and Cumberland. With the announcement of this fact it would perhaps be proper to conclude this report. The undersigned desires, however, to express the hope that he has not exceeded his authority in procuring the most efficient aid in conducting this investigation which the circumstances of the case permitted him to obtain.

For this purpose, he solicited the co-operation of Major General William Gibbs McNeill, a gentleman of the highest reputation in his profession, and who stands unrivalled for his success in the prosecution of similar enterprises, where the skill and talents of the diplomatist and financier were required in as great a degree as the scientific attainments and practical ability of the engineer.

To the instrumentality of this gentleman, the undersigned acknowledges himself to be greatly indebted for the information which he has now the pleasure to communicate; and, for the further satisfaction of the stockholders, he has obtained from him a written communication, in which his views are given in a more extended form on this interesting subject, and which he has the honor to present to their consideration herewith, together with the copy of a law referred to in the said communication.

In conclusion, the undersigned begs leave to call the attention of the stockholders in general, but more particularly that of the

agents of the State of Maryland, to the moral effect which may be anticipated from the successful adoption of the measure which is now proposed. If they can but hold out to the people of the State some definite prospect of the completion of this great work, distrust and despondency will be banished, with all their blighting influences, and hope and confidence will be once more re-established amongst us. The taxes which are now grudgingly paid by those who cannot reasonably hope to receive any benefit in return for them, will then be freely loaned to sustain the State in her temporary difficulties. The credit of the State, which is now languishing, will then be rapidly resuscitated; and it may not be going too far to hazard the prediction, "that when the canal shall have been completed to Cumberland, the State will once more be enabled to obtain a loan on favorable terms, for the purpose of paying off the debt of $2,000,000 which may have been contracted by the company in completing the work."

In this event, the tolls would at once be rendered available for the payment of the interest on the State debt, and the people would be speedily relieved from the oppressive burdens under which they are now so meritoriously struggling.

All which is respectfully submitted,

TENCH TILGHMAN.

DECEMBER 3, 1842.

The report having been read, on motion,

Ordered, That the same be laid on the table, and that 250 copies thereof be printed, in pamphlet form, under the direction and superintendence of General Tilghman.

The chairman presented a communication from Michael C. Sprigg, Esquire, president of this company, as follows:

FREDERICK, *December 3rd*, 1842.

To the Stockholders of the Chesapeake and Ohio Canal Company:

I have lately understood that assurances have been given by a company out of this State, or by an individual out of the State, backed by such company, that if he can be elected to the presidency of the Chesapeake and Ohio Canal company, the money will be forthwith advanced for the completion of said canal to the coal region of Allegany. There is some reason for the belief, that with a sufficient guarranty for the repayment of the principal, and the allowance of an interest a little beyond the usual rate, the money can be obtained under the present administration of the company. But I will give no assurance that may prove fallacious. Yet desiring mainly to promote their interests, which my appointment was designed to subserve, I can most cheerfully, when that object is to be attained, relinquish an office held during a period of unexampled perplexity, and from which I have derived little else than pain and mortification, that the total absence of available means, the enormous indebtedness, complicated embarrassments and prostrated credit of the company, when taken in charge by the existing board, combined with the pressure of the times and the adverse circumstances, have so far denied us the power to prosecute the work, or to render the service so fondly hoped.—And I must here be permitted to remark, maugre the charge of boasting, that situated as we have been, no man, or set of men, without resorting to dishonorable expedients, could have administered it more advantageously. Determined, however, to furnish no one with a pretext for opposition to it, but wishing only its prosperity, if it be true, that the assurances referred to have been given, and are to be relied on, the stockholders will receive this as my resignation of the office of president of the Chesapeake and Ohio Canal company; and if any good results from it, to the general interests, but more especially to the State of Maryland, for years past its only patron, groaning as she is under the heavy taxation caused by by her efforts to complete it; or if Allegany county alone, suffering as she also is from the same cause, as well as from the pecuniary embarrassments of the company, and the languishing condition of the work, be thereby benefitted, so far from regretting my present course, or looking upon it as any sacrifice, I shall glory in it. I have never sought office—I have never accepted any, save in the Chesapeake and Ohio Canal company—nor then, with views unconnected with the interests of the stockholders. And I rejoice that mine is not the spirit to fret about loss of one, nor to cling to it, to the prejudice (even by possibility) of the public good, until turned out, then seek to excite public sympathy by the pitiful cry of persecution. Again, then I say, if friends are to be thereby enlisted, or enemies propitiated, receive this as my resignation. Your obedient serv't,

Signed, M. C. SPRIGG.

The communition having been read, on motion, it was

Ordered, That the resignation of M. C. Sprigg, Esquire, of the office of President of the Chesapeake and Ohio Canal company, be and the same is hereby accepted.

Ordered, That this meeting do now proceed to the election of president to supply the vacancy, and that the Chair appoint a committee of three to receive and count the ballots, and that the polls be kept open fifteen minutes.

The Chair appointed Messrs. Alexander, Magruder and Ingle, the committee.

General Tilghman nominated for the office of president of the Chesapeake and Ohio Canal Company—General William Gibbs McNeill.

Whilst the committee were receiving the ballots, Gen. Tilghman offered the following resolution:

Resolved, by the stockholders in general meeting, on Saturday the 3rd December, 1842, that in consideration of the great reduction made in the salary of the late president of this company, the sum of one thousand dollars be paid to the late president, M. C. Sprigg, as a remuneration for travelling and incidental expenses during the time for which the salary was reduced.

Mr. Davis moved to lay the resolution upon the table, which motion was rejected by the following vote:

AYES—The Corporation of Washington	2,008	
J. H. Alexander	2	
	2,010	votes.
NAYS—The State of Maryland	10,279	
The Corporation of Georgetown	508	
Lewis Johnson, adm'r. of William Otis	18	
	10,805	votes.

The question was then taken upon the adoption of the resolution, and the same was adopted by the following vote:

AYES—The State of Maryland	10,279	
The Corporation of Georgetown	508	
Evan Lyons	5	
	10,792	votes.
NAYS—The Corporation of Washington	2,008	
Lewis Johnson, adm'r. of William Otis	18	
J. H. Alexander	2	
	2,028	votes.

On motion of Mr. Davis, the vote by which the resolution was adopted, was re-considered.

Mr. Davis then moved to amend the resolution by striking out the words "one thousand," and inserting "five hundred," which amendment was agreed to.

The question recurred upon the resolution as amended, and the same was adopted by the following vote:

AYES—The State of Maryland - -	10,279	
The Corporation of Georgetown -	508	
	10,787	votes.
NAYS—The Corporation of Washington -	2,008	
Lewis Johnson, adm'r. of William Otis	18	
J. H. Alexander - - - -	2	
	2,028	votes.

It was therefore resolved, by the stockholders in general meeting, on Saturday the 3rd of December, 1842—that in consideration of the great reduction made in the salary of the late president of this company—the sum of five hundred dollars be paid to the late president, M. C. Sprigg, as a remuneration for travelling and incidental expenses, during the time the said salary was reduced.

General Tilghman then offered the following resolutions:

Resolved, That the salary of the President of the Chesapeake and Ohio Canal Company be increased to six thousand dollars, with the express understanding, that no part of the said salary is to be paid until the amount of funds necessary to complete said canal to Cumberland shall have been procured.

Resolved, That in consideration of the said increase of salary, the president of the company be required to devote his attention exclusively to the business of the Canal Company.

Which resolutions were adopted by the following vote:

AYES—The State of Maryland, - - -	10,274	
" Corporation of Georgetown, - -	508	
	10,787	votes.
NAYS—The corporation of Washington, - -	2,008	votes.

The committee appointed to receive and count the votes for President of the Chesapeake and Ohio Canal Company, to serve until the first Monday in June next, and until a successor shall be elected, made the following report:

That the votes received were as follows :

To William Gibbs McNeill—

The State of Maryland, - - - -	10,279
" Corporation of Washington, - -	2,008
" " " Georgetown, - -	508
	12,795 votes.

And that William Gibbs McNeill received 12,795 votes, being all that were given. He is therefore, unanimously elected President of the Chesapeake and Ohio Canal Company for the time above stated.

(Signed,)
J. H. ALEXANDER,
WM. B. MAGRUDER and
JOHN P. INGLE,
Committee of Election.

General William Gibbs McNeill was then declared unanimously elected President of the Chesapeake and Ohio Canal Company, until the first Monday in June next, and until a successor shall be appointed.

On motion of Mr. Davis, it was

Resolved, That General Tilghman be requested to write to Gen. William Gibbs McNeill, and inform him of his election as president of this company.

On motion of Mr. Davis, it was also

Resolved, That a special meeting of the stockholders in this company be held at the city of Annapolis, on Monday the 16th day of January next, at 12 o'clock M. to which day and place this meeting, when it adjourns to-day, shall stand adjourned.

On motion the meeting was then adjourned.

I certify the aforegoing to be a true copy of the proceedings of the stockholders of the Chesapeake and Ohio Canal Company, embracing those of each and every meeting during the year eighteen hundred and forty-two.

THOS. TURNER,
Clerk of the Chesapeake and Ohio Canal Company.

OFFICE CHESAPEAKE AND OHIO CANAL CO.
Frederick, January 14th, 1843.

[Document J.]

BY THE HOUSE OF DELEGATES,
January 20th, 1843.

Read and ordered to be printed.

COMMUNICATION

FROM

THE TREASURER OF THE WESTERN SHORE,

EMBRACING A

CORRESPONDENCE WITH MESSRS. BARING & Co.

AND THEIR AGENT IN THIS COUNTRY.

WESTERN SHORE TREASURY,

Annapolis, January 19th, 1843.

To the Honorable

the House of Delegates:

The Treasurer communicates his correspondence with the Messrs. Baring of London, and their agent in this country, upon the subjects of their advance for the State, and the interest due upon its bonds, in obedience to their order of the 13th inst.

The copies are numbered from No. 1 to No. 8 inclusive, in the order in which the letters were written.

As he has not answered, and did not intend to answer the last, (No. 8,) which, but for the call of the House, would have been simply handed to the chairman of its committee of Ways and Means, with such remarks as occurred to him, the Treasurer asks leave to state that, the writer, as will be seen, has misapprehended his annual report—and that the suggestions of the letter are to be considered as exclusively the agent's—which as the Treasurer had already distinctly stated, both to the agent and his principals, he declined to entertain officially.

He has the honor to be,

Their most obedient servant,

GEORGE MACKUBIN.

Treasurer W. S. Md.

CORRESPONDENCE.

No. 1.

WESTERN SHORE TREASURY,

Annapolis, 18th March, 1842.

T. W. WARD, ESQ.

SIR:—His Excellency, the Governor, did me the honor to refer to me as early as the 10th, your letter to him of the 7th inst., and also the copy it covered of that of Messrs. Baring, Brothers & Co., of the 3d January, to the Commissioner of Loans—but I have found it impracticable until now, to give my attention to the subject of them.

I am at last, however, able to say that no *particular* provision has been made by the General Assembly for the reimbursement, to the Messrs. Baring, of their advance for the State in payment of the interest due in London, 1st January last. But could you and they be as thoroughly aware as I am, of the difficulties in the way of an immediate and particular provision for their claim, nay, of its utter impracticability, strongly as it confessedly commends itself, by its circumstances of generous confidence and good will, to the favor and preference of the General Assembly, its failure in this respect would not in the slightest degree impair the confidence of their house.

The burthen of providing anew, for the payment of the heavy amount of interest on the public debt, has been by the improving companies thrown upon the Treasury much too suddenly, to admit of a sufficient substitute for their engagements to pay, being prepared and matured in time.

The mechanism of our popular institutions is so complicate, that their action is necessarily slow—but it will be found, I trust, to be not the less sure.

The Legislature (chosen by the people from themselves) were induced (no matter how surprisingly, or incautiously,) to believe that the engagements of the companies conducting the public works, to pay the interest on the debts incurred for their construction, might be safely relied upon—and however credulously and improvidently, in our view, certainly continued so to be persuaded, until the rapid failure of all of them, except the Baltimore and Ohio Rail Road Company, convinced them of their error too late to leave them power to save the honor of the State.

They are now, however, proceeding every session steadily to redeem its credit,—with characteristic delay it is true,—yet with prudence perhaps, in forbearing to burthen their constituents unnecessarily, or too hastily, but obviously, I think, with honest and decisive purposes.

During the extra session of March, 1841, called by the Governor at their own instance, and for the avowed purpose of providing amply and permanently for the wants of the Treasury, they directed a general valuation of the property in the State upon a basis far more comprehensive than had ever been used before, and an assessment of it at the rate of 20 cents in the $100 *for the service of* 1841.

Without any light from experience, they estimated the value of property to be assessed at three hundred millions of dollars. It is found to be not likely to exceed two hundred millions, so that instead of producing nominally six hundred thousand dollars, (the amount then wanted) it cannot produce more than four hundred thousand dollars; and the process of valuation, assessment and collection, is unavoidably so slow that only twenty-three thousand dollars have as yet reached the Treasury, of the tax for 1841; yet it is just now in the course of collection generally throughout the State, as will be very soon the tax for 1842. This, the General Assembly at its session just closed, has increased by 5 cents in the $100, thus providing nominally five hundred thousand dollars annually *by that tax.*

Then, to raise any probable deficiency, they have directed at the recent session the assessment of incomes, which they estimate will yield not less than one hundred and twenty thousand dollars yearly. They have also materially increased the duties on sales by auction—required brokers of all sorts to act under licenses of high prices—extended the basis of the tax law of 1841, and taxed specifically plate and watches, and all protests by notaries public. They have also reduced, as far as possible in one session, the ordinary expenses of the State, by discharging such officers as the services of, could be dispensed with or postponed.

My reliance, however, strong as it is, for the ultimate fidelity of the State to all its engagements, rests as much upon what the General Assembly have not done as upon what they have.

They exhibited throughout the session a stern and inflexible purpose, not to add by a single dollar, for any object or in any manner, to the pecuniary obligations of the State: and they have not done so.

They will provide, for example, at the next session for the completion of the canal. They tried to do so in the recent session, but failed for want of time only, (the duration of the session being limited by the constitution,) but they will do it by devoting the revenue expected from the entire work to the reimbursement of those who will finish the part that remains to be constructed, and thus as it were, make the work finish itself, without adding to the debt or obligations of the State.

This is the only one of our works, not now in successful operation, with the prospect of yielding material relief to the treasury.

With my eyes therefore, you and the Messrs. Baring could not fail to see, sir, in these circumstances, well founded assurances that Maryland will, as early and as fast as possible, fulfil all her obligations. I am aware that you can have no knowledge of *me*, that would add at all to these assurances; but inquire of whom you may, and you will learn, that I may be relied upon for the faithful application of the revenue as fast as it reaches me, exactly according to law.

For example, the direct tax and other taxes appropriated to the payment of the interest on the public debt, will as they come to me, be applied first to the payment of the money borrowed last year in anticipation of the tax for the year 1841—then to the reimbursement of the Messrs. Baring, their advance—then to the payment of the interest to first January last, due at the loan office—then to the payment of the interest since accrued there and in London—and that not a dollar of such revenue will be divested to any other purpose whatever—not even for the payment of my own salary.

I ask therefore, frankly, and not unreasonably I hope, for the indulgence of your honorable house, with their undiminished confidence.

Most respectfully, your ob't serv't,
GEORGE MACKUBIN,
Treas. W. S. Md.

No. 2.

BOSTON, *May 9th*, 1842.

GEORGE MACKUBIN,

Treasurer, &c., &c., Annapolis.

DEAR SIR:—Will you have the kindness to inform me if any thing prevents the re-issue of the bonds of Maryland, which were lost in the steamer President.

On looking over your letter 18th March last, I find you state, that the monies coming in will be applied *first*, to pay the money borrowed in anticipation of the tax of 1841—then to pay *Messrs. Baring*, and then, the *other interest due*, and *coming due*, but you do not state, how much would be required to pay the money borrowed for 1841—nor the receipts likely to be received into the Treasury to July, or to January of this year, nor, when the payment *due up to January last*, would probably be completed. May I ask the favor of you to inform me, as near as you can judge, without giving yourself any trouble, how you estimate the Treasury to stand the 1st July next, or the 1st January next. I have a general impression, that there had been borrowed for 1841, three or four hundred thousand dollars, which with one hundred thousand dollars due, and one hundred thousand dollars of back

interest to the Loan Office to the 1st January last, would make about six hundred thousand dollars required to place the *State right up to the 1st January last.* The resources I suppose to be generally, taxes for 1841—taxes for 1842—receipts from other sources—receipts from Canals, &c—and receipts from sale of Bank or other stocks.

If you will give me an abstract of the *probable* receipts up to July and January, or either, and the amount to be paid from them, I shall be much obliged, that I may send it to the Messrs. Baring by the steamer of the 15th instant, from hence.

I think we shall have a tariff, and pacific foreign relations, and gradually a full resumption of specie payments—and that the state of trade and credit is sound, and I trust we shall greatly improve in confidence, and every thing else on a right basis with the re-establishment of the credit of the United States Government, which I trust is near at hand, it is very desirable that Pennsylvania should *keep* right and Maryland *come* right. And I should judge, that whenever Maryland makes such provision as will ensure the punctual payment of her dividends at no distant day, any reasonable aid may be expected from the large stockholders on both sides, to hasten so desirable an event.

I shall be glad of any views or suggestions you have in relation to the finances of Maryland, which may be useful to me or Messrs. Baring, and remain, sir,

Very respectfully, yours,

T. W. WARD, *Attorney.*

No. 3.

WESTERN SHORE TREASURY,

Annapolis, 13th May, 1842.

T. W. WARD, ESQ., of Boston,

DEAR SIR:—Your letter of the 9th did not come to me until yesterday, and I fear therefore, that this my answer cannot reach you in time for the steamer, which you tell me is to leave you on the fifteenth.

For your information concerning the prospect of the renewal of the bonds, said to have been lost with the steamship the President, I send to you copies of my correspondence with the Attorney General, and with Mr. Lurman of Baltimore.

The sums borrowed in 1841, in anticipation of the direct tax for the service of that year, and applied to the payment of the interest for that year on the public debt, amounted to $401,198 03

The unpaid interest to 1st January 1842, due at the Loan Office in Baltimore, is 75,771 15

Due in London, about 100,000 00

Together, ... 576,969 18

The means provided for the payment of that sum are, the direct tax for 1841, now in course of collection, and by the General Assembly estimated to raise 400,000 00

Stock of the Banks in the State, say, 500,000 00

And so much of the ordinary revenue, as can be saved from the necessary expenses of Government.

Understand then, that the avails of those means will be applied first, to the payment of the said $401,198 00

that done—then to the payment of the said 100,000 00

then to the payment of the said 75,771 15

The tax for 1842, now also in course of collection, and estimated by the General Assembly to produce $500,000, by reason of the recent addition to the rate of five cents in the $100—will also be indiscriminately used to effect these payments.

But the *appropriate* means are those I have set forth, and exactly in the proposition in which the means destined for the service of 1842, shall be divested to make the said payments for 1841, will the ability of the Treasury to resume the payment of the interest accrued since 1st January 1842, be impaired and postponed. It is however, all and the best that can be done.

Now of the availableness of the means for 1841, either as to time or amount, I can give you no opinion that would be worth a cent.

I have been the Treasurer of the State nearly seventeen years, and the only direct tax in Maryland during my service, has been one of about $10,000 only, each year since 1831, in aid of the colonization of our free people of color willing to emigrate, to Maryland in Liberia; and I have found it a large estimate whenever I have ventured to promise myself the receipt of one-half, in the year in which it was payable into the Treasury by law.

There is frequently quite as much difficulty in getting the money from the collectors, as *they* may be supposed to have encountered in getting it from the taxables. The machinery too, employed in levying and collecting these recent imposts, is as yet new and immature, and requires the oil of experience and usage to make it work well.

Then, as to the Bank stock, the Commissioners of Loans has authority to sell without limit expressed, but the General Assembly estimated it at par, and *their* estimate must be his guide—and for the present it is unsaleable, yet it yields more in dividends than the State pays for interest on an equal amount of its debt, and therefore, looking only to the interest of the public creditors, it ought not to be sold for less than par.

Possibly it might suit the Messrs. Baring, to take of that stock to the amount of their advance. The most valuable at this time, are, of the

Mechanics' Bank of Baltimore,	$46,500 00
The Union Bank of Maryland,	31,800 00
The Commercial & Farmers' Bank of Balt.,	21,666 66
	$99,966 66

The first and last usually dividing at the rate of seven per cent. a year, and the second six per cent.

If they would prefer that at par to waiting for the taxes, I should urge the Commissioner of Loans so to apply it at once.

Of the tax for 1841, I have as yet received but $42,415.99—with this and so much of the ordinary revenue, as I could spare or temporarily advance, I have paid $58,578.06, of the *principal* of the $401,198.03, and the interest on the whole. In June, the month fixed by law, for the payment into the Treasury of half the taxes, I hope to reduce it by a large amount, but I cannot venture to say how much.

Most respectfully, your ob't serv't,
GEORGE MACKUBIN,
Treas. W. S. Md.

No. 4.

SIR:—We cannot allow this mail to depart, without communicating to you our extreme regret, that we have been unable to effect the payment of the dividend due 1st inst. on the sterling bonds of the State of Maryland. We feel most anxious to support the credit of the State, as our conduct last January evinced, and had consequently instructed our agent, Mr. T. W. Ward of Boston, to consult and communicate with you, as to the possibility of adopting measures for restoring regularity in the finances of Maryland, and resuming with exactitude the payment of the dividends both in Baltimore and here, but the nature of your advices to Mr. Ward, are of such a character as in no ways to justify us in making further advances

The Hon. GEORGE MACKUBIN,
Treas: of the W. S. of Md.,
Annapolis, Md.

for the State, and to reduce us to the painful alternative of leaving the present dividend dishonored.

It is of course impossible for us at this distance, and with our imperfect information, to give with confidence an opinion as to the measures which might and ought to be adopted, but it seems to us, that at the last session of your Legislature, the present difficulty might with proper foresight have been avoided.

If, after passing such tax bills as would undoubtedly have been sufficient to meet regularly the dividends without the present arrears of liability—authority had been given to you, first to sell or pledge without limits the bank stock held by the State, and next to anticipate the proceeds of the taxes, by hypothecating them for temporary loans, funds might have been obtained to pay both the arrears and the running dividends, and gradually to reimburse the money borrowed for the service of 1841. Even now, it does not appear to us, that the Legislature intended to limit you as to the

price for the sale of the bank stock, nor do we clearly understand why the debt of the Banks of Baltimore, which only fall due in October for the present year, should in their re-payment, take precedence of the other engagements of the State. Probably some Legislative enactments enjoining this course of proceeding has not come to our knowledge.

We must need hope, that the State taxes will be regularly and promptly paid, and that at the next Legislative meeting, measures will be taken to place the finances on a sure and safe footing, which, looking to the resources of the State, and believing in the readiness and anxiety of the mass of the population to maintain Maryland credit and good faith, even at the expense of some temporary pressure, we trust will not be a difficult task, and we can assure you that we shall be always willing to co-operate with the State to the best of our ability.

We shall always be obliged to you for any information which you can communicate to us relative to this subject, in order to guide the public opinion on this side, as to the security of the Maryland debt, and we remain with great respect, sir,

Your most obedient servants,

BARING, BROTHERS & Co.

No. 5.

WESTERN SHORE TREASURY,

Annapolis, 30th July, 1842.

Gentlemen,—I received a few days ago, a letter from you, which, being without date of time or place, I must distinguish by saying, it bore the Boston post mark of the 21st inst., professed to come by the steamer Acadia, and authoritatively informed me that the semi-annual interest, due 1st inst., by the sterling bonds of Maryland, had not been paid.

I had, with deep humiliation, been well aware that it would not be paid.

This Treasury was utterly unable to furnish any portion of the money, and it could not reasonably be, and I believe was not expected, by any authority here, that your house would make any further advance for the State.

You very justly observe, that "it is impossible for you at such a distance, and with your imperfect information, to give with confidence, an opinion as to the measures which might and ought to be adopted."

From like causes, it is equally difficult, to give you information of the condition of the State, which to you would be intelligible or credible. If I tell you, (as is the fact literally and absolutely,) that the credit of Maryland has been exhausted—that she has borrowed until she can borrow no more, here or elsewhere—and that her bank stock (the only means beyond her recent taxes, at

her disposal,) cannot now be sold. You nevertheless think, that these, with proper management, might be made available.

You seem, moreover, to think and write upon the subject, precisely as if the Executive or the ministerial officers of the State, were at liberty to adopt and execute any measure, suggested to and approved by them—when in truth, the General Assembly is the only authority competent to direct, and all the rest, can do nothing more, than cause to be executed, to the best of their ability, what that Assembly shall have directed.

To that body therefore, only, and when they are in session, may suggestions as to measures, be properly or usefully addressed.

The advance of your house in January last, and indeed all demands, except those for the unavoidable expenses of government, are (not of choice, but of necessity,) postponed to the claims of creditors for money borrowed last year, because it was borrowed upon a pledge *and in anticipation* of the taxes. They are unavoidably preferred to you, because the pledge was given long before your advance was known, and could not be revoked—and both they and you, are preferred to the stock creditors of the State generally, because the money borrowed and advanced, was actually borrowed and advanced for, and every dollar of it paid to them—and therefore, must be returned to those who lent and advanced it, before those who received it, can rightfully receive any more—and these preferences, are not only thus deduced from considerations of equity and of general law, but the first and principal one is actually in pursuance of special laws.

Of the taxes, the amount received to this day inclusive, is $151,429 $\frac{44}{100}$—and of the money borrowed last year, I have paid $152,883 $\frac{44}{100}$, and the interest on the whole as far as it has been demanded.

It will give me pleasure, gentlemen, at all times, to communicate to you by letter, any information that might serve or interest you—but in one hour, had I the opportunity, I could orally, make the difficulties of the State more intelligible to you, than I could hope to do in writing, were I to devote a year to the task.

The simple facts are, that the General Assembly, intending hitherto, to provide for the punctual payment of the interest on her debt, and believing that they have done so, are nevertheless, greatly mistaken—and of this, nothing but experience from year to year, will convince them. My hope and expectation are, that they will yearly continue, in their own way, to augment the revenue of the State until it shall be sufficient. But it must and will be a work of time. I have the honor to be, sirs,

Most respectfully, your obedient servant,

GEORGE MACKUBIN,
Treasurer W. S. Md.

To Messrs. Baring, Brothers & Co. of London.

P. S.—A duplicate of your letter, as I closed my reply, come to me to-day, via New York.

No 6.

Boston, *August 5th*, 1842.

George Mackubin,
Treasurer, &c. Annapolis, Maryland.

My Dear Sir,—I have your envelope with letter dated 30th ulto. for Messrs. Baring, which will be duly forwarded by the Columbia.

I am obliged by your forwarding it through me, and need not add that it is written with your usual accuracy and judgment.—While I am aware that this whole subject has constantly your anxious consideration, and that you must understand it much better than I can, I am still induced to suggest, whether it may not be best for the Legislature at their next session, to provide for the payment of the back interest up to January 1st, 1844, by a seven per cent. scrip redeemable say in five years, and then commence paying interest in full on the 1st April, 1845—or if that should not be practicable so soon, *three-fourths might be paid in cash*, and one-fourth in scrip, for a year or two, until the resources of the State should be more completely available. In the meantime something may come in aid from the public lands, or other source, to enable Maryland to fulfill her engagements with ease.

I have written to Messrs. Baring to forward the letter of indemnity for the last bonds per President, which I shall duly forward to you when received, through Mr. Latrobe.

Dear Sir, very truly and
Respectfully yours,
T. W. WARD, *Attorney.*

If not too much trouble, may I ask the favor of you to inform me, when, in your opinion, the Treasury will have paid off the borrowed money and be in a state to pay the advance of Messrs. Baring. I had supposed about April next, or between that and June. Have the goodness also, to say if any thing is required to the issue of Mr. Lurman's bonds per President. T. W. W.

No. 7.

Western Shore Treasury,
Annapolis, August 10th, 1842.

Dear Sir,—It would not become me to entertain suggestions of what measures it will be proper for the General Assembly to adopt, and I beg you therefore to excuse my silence concerning that of your letter of the 5th inst.

I repeat that, all suggestions as to measures, to have a chance of usefulness, should be addressed to the General Assembly during its session, or rather, to the chairman of the committee of the House of Delegates on Ways and Means—their appropriate organ. They lose more than half, and sometimes all their proper force, in passing through any medium.

So as to your inquiry, when the Treasury will have paid the money borrowed last year, I cannot form an opinion in which I should myself have any confidence, and am unwilling to run the risk of misleading you by conjectures. Facts, I have no difficulty in communicating, and were any chance to bring me the pleasure of an interview, I should gladly interchange thoughts with you upon any branch of the subject. For the present, indulge me in confining myself as much as possible when I write, to the progress actually made in paying, and thence, your judgment of the time to be employed in paying the rest, will be quite as likely to approach accuracy, as my own. On the 3rd inst., only four days after I wrote to the Messrs. Baring, I received of the taxes the further sum of $32,415.17, and on the same day, paid so much more of the money borrowed last year—so that account now stands thus—

Amount borrowed last year - - -	$401,198 03
Amount paid to 3rd August, 1842, inclusive,	185,298 57
To be paid - - - - -	$215,899 46

Mr. Lurman has submitted to me, a bond for the indemnity of the State, which I have sent to the Deputy of the Attorney General in Baltimore, for his advise of its sufficiency.

So soon as I shall have received the letter of indemnity agreed upon, from the Messrs. Baring, and the bond aforesaid with advice to approve it, I shall instruct the Commissioner of Loans to renew the State bonds that were lost with the steamer President, to both. I am very respectfully, Dear sir,

Your most ob't serv't,
GEORGE MACKUBIN,
Treasurer W. S. Md.

To T. W. WARD, Esq. of Boston.

No 8.

BOSTON, *January 6th*, 1843.

GEORGE MACKUBIN, ESQ.,
Treasurer, &c. &c. Annapolis.

DEAR SIR,—I have received your annual report to the Legislature, which you were so kind as to send to me, and notice with satisfaction the views you present as to the ability, will, and determination of the people of Maryland to pay the debt of their State, and the mode you suggest to accomplish this object.

From your knowledge of the feelings and habits of the people of your State, and from your long experience in the duties and objects of your department, as well as from your high character

and public services, your views are justly entitled to the weight and influence they have attained—and it would of course be highly gratifying to me to see the plan you have suggested carried out. Should it however be the opinion of the Legislature, that in the present depressed state of the business of the country, it is inexpedient to adopt so large and sudden a mode of taxation—it seems to me very important to Maryland, as well as to those interested in the value of her securities, that a system should be *now* adopted, which can be relied on in future, and sustained fully, and met promptly, without further sacrifice—and with a view to this object, and to assure you, and any committee of the Legislature who may have the matter in charge, that, as the representative of Messrs. Baring, Brothers & Co. who are largely interested in these securities, I do not wish to urge an attempt to accomplish more than is clearly practicable, I would beg to submit to you and to the committee the following suggestions:

1. I should recommend the funding of the back interest.
2. To make a moderate increase of the 25 cent. tax.
3. To apply the income of the sinking fund to the payment of the interest on the debt, until the State shall be again in a position to increase the sinking fund, besides paying the interest.
4. Such an alteration in the income tax as will remove its inequality.
5. If deemed expedient, or necessary—a moderate capitation tax, or tax on voters, in the form proposed by the Treasurer.

The adoption of these measures would make the payment of the interest on the debt easy and certain, at the commencement of the next year, or very soon after—and my belief is that such a system made permanently sure to accomplish the object, would be satisfactory to the creditors of the State. The funding of the back interest, would do away with the question of receiving the coupons in payment of interest,—a measure which it seems to me, would not only be injurious to the credit of the State, by depriving the Treasury of the means of meeting its engagements, but would necessarily keep its obligations in a state of great and increasing depreciation,—and until measures are taken to redeem the coupons, the credit of the State cannot be restored.

In making this communication, permit me to express my perfect conviction of the vital importance to Maryland that measures be taken to restore her credit—and that nothing else can effectually promote and secure her prosperity. The advantages of Maryland are such, that her credit once restored, and with it *public confidence*, her progress will be sure and certain—and the ability and prosperity of every citizen will be promoted in a degree, compared with which the sacrifice required to obtain it, is too small to be for a moment considered.

It is indeed strange that in our country any should doubt as to ability: with eighteen millions of people, of such energy and effi-

ciency, and with such resources as the world has never before seen; and where the aggregate *principal* of the debts of all the States, does not equal the *interest* alone of the debt of Great Britain, or the single debt of the small State of Holland—and in Maryland, with its capital—its valuable staples—its commercial facilities—its improvements, completed and in progress,—its great and growing city—its intelligent, industrious, and honorable population, accustomed to self-government, and obedience to the laws,—there can be no question as to resources, ability, or the disposition of its people. The fraction of a cent per day on its *white* population would pay the interest on its debt, and this would be a very small percentage on its annual productive industry and income—and indeed, what every one could daily spare from his expenditure without knowing or feeling it, would pay the interest many times over; and when it is considered that *confidence in the public faith* lies at the very foundation of the security of persons and property, and of all that is valuable in our institutions, it must be the first and great object of states and statesmen, to preserve this faith inviolate; and, with all the advancement that is daily making in the knowledge and practice of the great principles essential to the well being of society, it must be that the people will keep steadily before them that of *justice*, which lays at the foundation of all.

The times have been discouraging, and business may continue for a time without much visible activity, but improvement is going on silently and rapidly, and as certainly as day follows night—and on the only true basis, that of labour, industry, economy, prudence, and honesty,—the sources of all wealth, and all prosperity.

It is common to speak of the state of the country as discouraging—but is it so? We are at peace with all the world, and all nations disposed to cultivate the most friendly relations with us,—with abundance through the land—with a general moderation of the spirit of party, and a nearer agreement on all the great questions which have agitated the country, and fewer *real* causes to distrust its union and harmony than perhaps have ever before existed—with experience, dearly bought to be sure, but invaluable if we improve it, of the evils which inevitably follow a departure from right conduct and right principles, and a necessity from which we cannot escape, of coming back to those principles, without which society cannot exist, and with which confidence will be universally established and prosperity certain.

With all these, what is wanting but a sacred regard to the public faith—the security of persons and property—public and private justice—labour, economy, prudence, forbearance, conciliation—high and right purpose,—and going for the country instead of party.

These, I wish to be considered, not merely as the views of an agent of a foreign house, interested in the securities of Maryland, but as the deliberate convictions of an American citizen, having

at heart more than anything else, the permanent welfare and prosperity of the whole country.

I have the honor to be, Sir,
With great respect,
Your very ob't. and humble serv't.
T. W. WARD.

[Document K.]

BY THE HOUSE OF DELEGATES,
January 18th, 1843.

Read and ordered to be printed.

COMMUNICATION

FROM THE

CHESAPEAKE AND OHIO CANAL COMPANY,

TO THE

GOVERNOR OF MARYLAND,

INCLUDING

Copies of a Correspondence between said Company and the Messrs. Baring & Co. in relation to certain Maryland Bonds.

CORRESPONDENCE.

OFFICE OF THE CHES. AND OHIO CANAL CO.
Frederick, January 12th, 1843.

To His Excellency,
FRANCIS THOMAS, *Governor of Maryland:*

SIR,—The Board of Directors of the Chesapeake and Ohio Canal Company have the honor herewith to enclose to you copies of a recent correspondence between the Messrs. Baring, Brothers & Co. of London, and this Company, in relation to certain State of Maryland bonds which were placed in their hands under an arrangement entered into with them, as agents of the company, in December 1839. You will perceive from the letters and accompanying statements that they hold £133,000 Maryland 5 per cent. sterling bonds, belonging to the company, upon which they have made advances, principally in the year 1840, which, with an allowance of credit, now amounts to £80,151 0 8. And they propose to the company to take the said bonds at 50 per cent. in part payment of the amount thus due them, and the company's bonds for the balance; and in case the company will not assent to the proposal, they give notice that they will sell the bonds either in this country or in Europe, unless some satisfactory arrangement is made to reimburse them for their advances. This determination on their part appears to result from the failure of the State to pay the last July instalment of the interest due on the bonds, and the failure to meet the January interest will doubtless render them still more urgent for a settlement. The reply of the board, under date of the 10th inst. a copy of which is herewith communicated, marked No. 4, will put you in full possession of their views on the subject, and the grounds on which they have placed their objections to the proposed sale, but as it is a subject in which the State of Maryland is much interested, the board have deemed it their duty to communicate the matter to you in order that, if deemed expedient, it may be brought to the notice of the General Assembly now in session. It is scarcely necessary to add, that the company have no funds to redeem the bonds in question, or pay the arrears of interest due on them, and unless the State adopts some measures in this latter behalf, the bonds will probably be sold at a sacrifice by the Messrs. Baring, either under the agreement as they understood it, or under the cover of a proceeding at law. The accompanying papers are numbered from 1 to 6, inclusive.

I have the honor to remain, very respectfully, by order and on behalf of the board, Yours, THO. TURNER,
Clerk Ches. and O. C. Co.

No. 1.

(COPY.)

To the President of the
Chesapeake and Ohio Canal Company,—Baltimore:

BOSTON, 6*th July*, 1842.

SIR,—Messrs. Baring, Brothers & Co. of London, inform me that they hold 133 M. £ of bonds of the State of Maryland, on which they have advanced 76 M. £.

In the present state of things they cannot reimburse themselves by sale of the stock, and I shall be much obliged if you will inform me if the company can do anything for their payment.

The nominal quotation in London at last dates, was 50 per cent. but at which price purchasers could not be found. If they can be sold in Baltimore at a price to cover the account of Messrs. Baring, which I believe would be about 57 per cent. and 2 per cent. commission, Messrs. Baring, Brothers & Co. will be much relieved thereby. And if this cannot be done, Messrs. Baring will take the bonds at the nominal quotation of 50 per cent. and the obligation of the company for the balance, which may be due them beyond the proceeds of the bonds.

I shall be obliged by hearing from you on the subject.

I have the honor to be, sir,
Very respectfully,
Your obedient servant,
(Signed,) T. W. WARD, *Attorney.*

No. 2.

(COPY.)

CANAL OFFICE, FREDERICK,
July 23*rd*, 1842.

T. WARD, ESQ. *Boston.*

DEAR SIR,—Your letter, in behalf of Messrs. Baring, Brothers & Co. of London, of 6th inst. addressed to the President of the Chesapeake and Ohio Canal Company, was presented to the consideration of the board on the 21st inst. Whereupon it was

"*Ordered*, That the board cannot consent to a sale of the bonds in question, at the price proposed—not feeling justified, under existing circumstances, in departing from the terms of the agreement of December 1839, upon which the said bonds were placed in the hands of Messrs. Baring, Brothers & Co."

In communicating which, I have the honor to be,
Yours, respectfully,
(Signed,) THO. TURNER,
Clerk Ches. and O. C. Co.

No. 8.

(COPY.)

THOS. TURNER, ESQ.
Clerk Ches. and Ohio Canal Co.
Canal Office, Frederick City, Md.

LONDON, *3rd December*, 1842.

SIR,—Mr. Ward has transmitted us copies of his letter to you, the President of your company, and of your answers, by which we observe, that in declining Mr. Ward's proposal, the Board of Directors do not feel themselves justified in departing from the terms of our agreement. By this agreement we were at liberty to cover ourselves for our advances at any time by sale of the bonds deposited with us. We refrained from exercising this right, partly because there has been no regular demand for these bonds since we were in possession of them, and partly because it was the wish of your direction that we should hold on, but now that the State of Maryland has failed in paying its dividends, and that the balance is consequently increasing, as your company does not even remit us the interest on the sum due to us, we feel it necessary to come to a settlement of this account. We have, as you are aware, exercised great patience and forbearance in remaining for so long a period in such a heavy cash advance at only 5 per cent. interest, and waiting for any commission or remuneration until the sale of the bonds, and we have done so in compliance with you wishes; but we have long felt a strong desire to have the debt due to us repaid, or at least very materially diminished. At the same time we were awase, that whatever the nominal price might be, the attempt to sell here so large a sum as £133,000 stock would be vain, for the last one or two years, and would injure the credit of the State, by reducing the rate of its bonds to those of the worst securities. Unfortunately, events on on your side have destroyed the credit of Maryland, and rendered my calculation of the value of its bonds impossible, whilst they have made us more anxious to settle or diminish the balance due to us, and we desired our agent, Mr. Ward, to beg you to remit us funds, or if that were impossible, to come to some settlement of the account, which we thought would be as much your wish as ours. It would be impossible to sell £1000 at 50 per cent. whilst much might be bought at that price, so that if we wanted to speculate in Maryland bonds we could buy them in this market at more advantageous terms for us than by our offer to you.

We have now the honor to enclose a copy of the account current of the Chesapeake and Ohio Canal Company with us, showing a balance on 31st December next, to its debit, of £80,151 0 8, which please note in conformity, and we beg to add, that if we are not placed in possession, by the arrival of the Boston steamer of 1st February next, of some means of providing for the payment of

the balance, we shall proceed to the sale of the bonds in our hands, either here or in the United States, as may appear most advisable. We shall thus give to the company any advantage which may arise from the measures of the legislature during the present session, as our desire is to consult the interests of the company, consistently with the speedy settlement of our account, which cannot be left open for an indefinite period, with a constantly increasing balance to its debit. We send this letter open to our agent, Mr. Ward, begging him to forward it to you, and should you have any communication to make to which you would wish a more prompt reply than can be obtained from London, we beg to refer you to him. We remain, respectfully,

Sir, your obedient servants,

(Signed,) BARING, BROTHERS & CO.

No. 4.

(COPY.)

OFFICE CHESAPEAKE AND OHIO CANAL CO.

Frederick, Md. 10th January, 1843.

To Messrs. BARING, BROTHERS & Co. *London*—

GENTLEMEN,—We have the honor to acknowledge the receipt of your letter of the 3rd ultimo, enclosed in one from your agent, Mr. Ward, of Boston, in which you acknowledge the receipt of the resolution of the Board of Directors of this company declining your proposition in regard to a sale of the State of Maryland bonds in your hands, belonging to the company, at 50 per cent. As from the tenor of your present letter, it appears that the existing arrangement between yourselves and this company, in reference to those bonds, is misunderstood on your part, or, at least, that you understand it differently from the Board of Directors, we respectfully beg leave to call your attention to the letters in which it is embraced, and to quote, for your consideration, such extracts therefrom as immediately apply to the question at issue. After doing this we will again more particularly consider the subject of your present letter.

The terms of the original agreement are set forth in the letter from your house to Geo. Peabody, Esq., dated London, November 27, 1839. The 5th proposition reads as follows:

"Should we decide not to avail of the above option (*i. e.* to take the bonds at 70 per cent. at any time before the 1st of January, 1840, in amount not exceeding £300,000 nor less than £200,000,) then you shall give us the choice of making such advances on Maryland bonds at 65 ex. January dividend, at the bank rate of interest, as you may require to meet all engagements for the Chesapeake and Ohio Canal Company, not exceeding £200,000. Such advances to be repaid by sales of the stock at our discretion, (advising with you, however, before making any large sales,) in-

cluding our commission of 2 per cent. and brokerage, as usual on sales. Where no advances are required, our commission is to be reduced to one per cent. it being distinctly understood, that it is most material to our interests, that we should have the sole and entire control of the sale of the bonds, and that it is your wish to do every thing in your power to give us such control."

By letter of the same date, November 27, 1839, dated from London, Mr. Peabody acknowledges the agreement as above stated, and expresses to you "the pleasure it will afford him to carry out the views and expectations embraced in your letter."

In a letter from George Peabody to the President of the Chesapeake and Ohio Canal Company, dated London, December 6, 1839, he says:

"In the agreement with Messrs. Baring, Brothers & Co. which I forwarded, no positive mode of effecting sales of the bonds belonging to you was pointed out, I have therefore suggested that what may belong to you should be sold *pro rata* with what they may hold on their own account. This arrangement they have confirmed in the letter enclosed, which will place your interests on as favorable a footing as I could reasonably ask."

The letter from the Messrs. Baring, Brothers & Co. (enclosed in the above) dated Bishopsgate Street, 6th December, 1839, and addressed to Geo. Peabody, Esq. is as follows:

"In reference to your enquiry as to the best mode of protecting the Chesapeake and Ohio Canal Company against losses from *forced sales* of Maryland State bonds, at present hypothecated with various institutions in the United States, and of following up at the same time the agreement between us, we would suggest that you should authorise drafts on you, against the consignment of the bonds at the rate of £65 per £100 capital, and we engage to provide for your acceptances on delivery of such bonds (being the same form and tenor as those we have purchased of you) to us, provided, that the whole amount of drafts do not exceed £200,000—that not more than £30,000 fall due per month, and that we receive, as stated above, £100 capital for every £65 we are called on to provide. In this mode &c." The letter then proceeds thus: "Although we must reserve to ourselves the right of covering our cash advances by sales, yet our interests are now so closely identified with those of the company, and our wish is so sincere to meet its views, that you may rely on our not uselessly sacrificing its stock, and we shall consult with you as to prices, and are willing to admit, what is consigned to us in *pro rata* proportion with what we hold for our own account in our gradual sales."

Upon the receipt of those letters and communications, embracing the terms therein contained, the Board of President and Directors of the Chesapeake and Ohio Canal Company unanimously confirmed the agreements, and by a resolution, passed 8th January, 1840, appointed your house the agents of the Chesapeake and Ohio Canal Company, for the transaction of its business in London. All which was communicated to you through Mr. Peabody

by letter, dated 24th January, 1840. And the agency was accordingly established.

In a letter addressed to you by the Governor of this State, (at that time President of the Chesapeake and Ohio Canal Company,) under date of January 5th, 1841, he says:

"The condition of the money market of Maryland bonds in London, as is described from time to time in your letters, has induced me to refrain from attempting to modify, or to change *in any respect* the arrangement entered into between yourselves and Mr. Peabody. That arrangement was approved of by the Board of Directors as soon as we had learned its terms, and the chief clerk was directed to forward to you evidence of that approbation, &c."

Upon the terms then of this agreement and agency, as set forth in the various extracts we have quoted, it appears that you now hold Maryland 5 per cent. sterling bonds to the amount of £133,000—that the balance due you for cash advances made at various times, amounts now to £80,151 0 8—and by your letter of the 3rd December, 1842, dated at London, received through your agent, Mr. Ward of Boston, as we have already mentioned, you repeat your proposition to become the purchasers of the £133,000 of the bonds belonging to the company in your hands at 50 per cent., and state, that unless the company assents to this proposition, or unless by the arrival of the Boston steamer, which is to sail on the 1st February, you are placed in possession of some means of providing for the payment of the balance due you for advances, viz: £80,151 0 8, you will proceed to a sale of the bonds in your hands, either here (in London,) or in the United States as may appear most advisable.

In the present embarrassed condition of the company, and with an outward pressure from all quarters, we regret exceedingly that your house also should manifest so peremptory a disposition to press for a settlement of accounts, but inasmuch as it has been done, the only alternative of this company is to shelter itself under the stipulations of the agreement existing between yourselves and it, in regard to *forced sales*, and to insist upon the full benefit of the provisions of the arrangement as respects the mode of regulating the sales.

In a few words, then, we think that under the existing arrangements you are not at liberty to sell the bonds of the company without the assent of the company, even to reimburse yourselves for cash advances, except for the same price that you make sales of similar bonds held on your own account, and in *pro rata* proportion according to the terms of your letter of the 6th December, 1839, from which we have quoted an extract. Under this arrangement, as this company understands it, you are to make advances at the rate of £65 for every £100 of Maryland bonds placed in your hands. You reserved to yourselves the right to cover your cash advances by sale, but to secure the company against the sacrifice of its bonds to meet such advances, you agreed not to sell

its bonds except when you sold your own, and in a *pro rata* proportion, at the same price at which yours were sold.

If such be not the true meaning of the understanding entered into between yourselves and the company, through the intervention of its agent, Mr. Peabody, we are at a loss to comprehend the benefit that could accrue to the company from the *pro rata* arrangement, inasmuch as at the very time when it was entered into, it was agreed that *advances* should be made on the bonds at 65 in the £100 capital. How, indeed, could forced sales be made at the loss of the company except to pay advances upon drafts? If the company did not receive advances there could be no motive *in forcing sales*, and no ground or excuse for compelling them, and it was to guard against the alternative, the very predicament in which the company is now placed, when the bonds are at a great and unjust depreciation, and balances are due upon advances, that the stipulation was made against forced sales, except upon the terms and under the limitations we have mentioned.

It is true that Maryland bonds are now at a great depreciation, growing mainly out of the failure to *collect efficiently* the tax which was laid by the Legislature of 1841, to pay the State debt, and for the same reason the July instalment of interest failed to be paid, but there is still an unquenchable determination in the bosoms of the people of this State to sustain its faith, and we have no fears of the ultimate result. The present Legislature will certainly adopt such amendments as will effectuate the due collection of taxes, and will also probably pass a law to authorise the receipt of coupons of the State bonds, and certificates of interest due on State stock, in payment of the taxes, which will at once stamp them with credit, and enhance the value of State stocks in this market. These reasons, together with others looking to the completion of the Chesapeake and Ohio Canal, to say nothing of the movement now being made in Congress in relation to the providing of means to pay off State liabilities, must in a short time greatly raise the price of the Maryland bonds, both in this country and in Europe, and we therefore feel bound respectfully to decline the proposal of selling to you the bonds in your hands belonging to the company, at the half price mentioned in your letter, or of assenting to a sale of them at all under existing circumstances. The Legislature of Maryland is now in session and will not adjourn until the 10th of March. Most of the measures of importance will probably be delayed until the latter part of the session, and you therefore do not, as you state, by requiring an answer by the steamer of the 1st of February, "give us the advantage which may arise from the measures of this Legislature during the present session" to offer to you the terms of a settlement. Relying therefore upon the desire which you have expressed, "to consult the interests of the company," we, in conclusion, ask of you to postpone all measures in relation to the sale of the bonds until after the close of the session alluded to, when we will probably be better able to propose a mode of adjusting our accounts

in a manner satisfactory to all parties. At all events, we will then communicate further with you on the subject.

By order of the Board of Directors of the Chesapeake and Ohio Canal Company. (Signed,) THO. TURNER,
Clerk Ches. & O. C. Co.

No. 5.

Statement of the advances made by Messrs. Baring, Brothers & Co. on account of the Chesapeake and Ohio Canal Company.—viz:

1840.		Sterling.
April 10,	To George Peabody, - - -	£22,000 0 0
June 5,	" - - - -	4,000 0 0
6,	" - - - -	3,000 0 0
19,	" - - - -	3,500 0 0
July 23,	" - - - -	9,000 0 0
25,	" - - - -	2,500 0 0
18,	" - - - -	1,000 0 0
Aug. 27,	" - - - -	10,000 0 0
Sept. 3,	" - - - -	5,500 0 0
16,	" - - - -	4,000 0 0
Oct. 6,	" - - - -	3,000 0 0
19,	" - - - -	5,000 0 0
Nov. 3,	" - - - -	5,000 0 0
6,	" - - - -	1,500 0 0
17,	" - - - -	1,500 0 0
19,	" - - - -	2,000 0 0
Dec. 24,	" - - - -	1,127 4 5
1842.		
Oct. 18,	To drafts of the Company, dated 16th July, at 60 days, - -	10,000 0 0
		£93,627 4 5

No. 6.

Dr. *Messrs. Baring, Brothers & Co. of London, in account current with the Ches. & O. C. Co.* Cr.

1840.				1840.			
April,	To Maryland 5 per ct. sterling bonds, deposited with them by Geo. Peabody, £133,000			April to Dec. 31,	By cash at various dates paid to Geo. Peabody, as per detailed statement herewith,		83,627 4 5
July 1,	To coupons on £107,500 Md. 5 per cent. sterling, -	£2,687 10 0		1841. Oct. 18,	By do. our drafts of 16 July, at 60 days, - -		10,000 0 0
" 7,	To nett proceeds of $51,000 Pennsylvania 5 per ct. stock,	9,059 10 3			By interest and hostages to 31 Dec. 1840, £1,539 17 10		
" 24,	To coupons on 64 Maryland 5 per cent. sterling bonds,	606 5 0			By do. 1841, 3,495 0 0		
1841.					By do. per last account to 3,817 11 0		
Jan. 1,	To do £133,000 sterling Maryland 5 per cent stock,	3,325 0 0					8,852 8 10
July 1,	To do. do. do.	3,325 0 0					
1842.							
Jan. 1,	To do. do. do.	3,325 0 0					
		22,328 5 3					
	To balance this date, -	80,151 8 0					
		£102,479 13 3					£102,479 13 3
				1842.	By balance this date, -		£80,151 8 0

[Document L.]

BY THE HOUSE OF DELEGATES,
January 5th, 1843.

Read and ordered to be printed.

REPORT

OF THE

President of the Baltimore and Ohio Rail Road Company,

COVERING A

TARIFF OF RATES OF TRANSPORTATION

ON THE

"MAIN STEM" OF SAID ROAD.

IN OBEDIENCE TO

AN ORDER OF THE HOUSE OF DELEGATES, JAN. 5TH, 1843.

OFFICE OF THE BALTIMORE AND OHIO R. R. Co.

January 9th, 1843.

To JOHN NICK. WATKINS, ESQ.,

Clerk of the House of Delegates:

Sir,—In reply to your communication of the 5th instant, accompanied by an order of the House of Delegates, I am instructed to hand you the following copy of a letter from the Superintendent of Transportation of this Company, viz:

"In obedience to an order of the House of Delegates of Maryland of the 5th instant, I herewith submit a copy of the tariff of rates of this company, adopted on the opening of the road to Cumberland on the 5th November last, with a particular classification of the same as "printed for the government of the respective agents and officers along the line of said road—and also a copy of the specific rates charged for every particular description of produce, merchandize or minerals, with reference to the distance which such articles are transported, commencing with the first class and giving the different articles which are chargeable with the highest rate of tolls, and so on to the 2d, 3d, and 4th classes respectively, with the particular distances annexed to each class of article transported on said road."

In reference to that part of the order of the House of Delegates, asking for "a like statement with respect to distance as regards the transportation of passengers on said road," I would state, that on the 5th November last the road was opened to Cumberland and the charge for *through* passengers fixed at $6 50—at the same time passengers were charged for all distances up to 130 miles, at the rate of 5 cents per mile, beyond which point the charge was the same as for the entire distance to Cumberland. Subsequently, however, the Board of Directors at their meeting on the 7th of December last, with a view to the attainment of greater equality in the rate of fare, directed that the charge should be at the rate of 4 cents per mile, and as nearly as practicable, made uniform throughout the entire line, except in cases where the train is stopped to take up passengers travelling 10 miles or under, when the charge is at the rate of 5 cents per mile."

I am, Sir, respectfully, your ob't. serv't.

J. I. ATKINSON, *Secretary*.

REGULATIONS

FOR THE

GOVERNMENT OF DEPOT AGENTS.

MERCHANDISE FOR TRANSPORTATION on the Road is received daily (Sundays excepted) at the Depot in Baltimore and Cumberland respectively, between the hours of 8 o'clock, A. M., and 3 o'clock, P. M., under the following Regulations, viz:—

1. ALL GOODS OFFERED FOR TRANSPORTATION must be distinctly marked, and each dray-load accompanied by a list in duplicate, of the number and description of packages to be forwarded,—the name of the Consignee and of the party forwarding the same.

2. GOODS DESTINED FOR DELIVERY on the line of the Winchester Rail Road must be consigned to the care of the "Agent of the Winchester and Potomac Rail Road Company" at Harper's Ferry—and as this Company will not permit consignments to be made to its Agents, commodities intended for individuals residing at places distant from the Rail Road, must, in every instance, be consigned to some known resident at the point of delivery—otherwise they cannot be received.

3. THE FREIGHT accruing upon all commodities for delivery at points on the line of the road, other than *Frederick*, *Harper's Ferry*, *Cumberland*, *Baltimore*, and the depots on the *Winchester and Potomac Rail Road*, must be paid in advance.

4. GUN-POWDER and FRICTION MATCHES will be forwarded only under special agreement, in each particular case, at the convenience of the Company, from Mount Clare Depot,—where they will be received for Transportation on the *Monday* of each week, between the hours of 8 and 12 o'clock, A. M.,—and *at no other place or time.*

5. BACON and HAMS in lots less than entire Car loads, will not be received loose, except in cases where they constitute part of entire Car loads to the same Consignee.

6. THE FREIGHT accruing upon all commodities consigned to individuals at Baltimore, Frederick, Harper's Ferry or Cumberland, must be paid on delivery at their destination. Upon all

goods and produce transported intermediately from one private depot to another, the freight must be paid to the *Way Conductor*, by the Local Agent forwarding the same.

7. ENTIRE CAR LOADS of Produce or other Commodities will be delivered in Baltimore at any designated point on the City tracks, *not on the Main Line in Pratt street*, but fractions of loads will be delivered *only*, at Mount Clare Depot.

☞THE COMPANY will not be responsible for damage arising from ordinary leakage and breakage; nor will they be responsible for damage alledged to have been received by any goods or commodities transported by them, unless the claim shall be made before the removal of the goods from the Depot; further, if goods, which shall have been transported on this road, be not received or taken away by the consignees or owners on the day of their arrival at the Depot, the Company will not be responsible for, or pay any claims for loss or damage which may be sustained by such goods; in other words, if goods as above described are suffered to remain in or on the Cars at the Depot, or in the warehouses of the company, one or more nights after their arrival, they will remain so at the exclusive risk of the owners or consignees.

W. S. WOODSIDE,
Superintendent of Transportation.

FIRST CLASS.

TEN DOLLARS PER TON OF 2,000 POUNDS,—OR 50 CENTS PER 100 POUNDS, for the ENTIRE DISTANCE, in either direction, between BALTIMORE and CUMBERLAND. (*When in quantities of not less than* 1,000 *Pounds.*)

MILES.	PER TON of 2,000 lbs.		PER 100 lbs.		MILES.	PER TON of 2,000 lbs.		PER 100 lbs.	
	Dolls.	*Cts.*	*Cts.*	*Mills*		*Dolls.*	*Cts.*	*Cts.*	*Mills.*
1		8	0	4	32	2	56	12	8
2		16	0	8	33	2	64	13	2
3		24	1	2	34	2	72	13	6
4		32	1	6	35	2	80	14	0
5		40	2	0	36	2	88	14	4
6		48	2	4	37	2	96	14	8
7		56	2	8	38	3	04	15	2
8		64	3	2	39	3	12	15	6
9		72	3	6	40	3	20	16	0
10		80	4	0	41	3	28	16	4
11		88	4	4	42	3	35	16	8
12		96	4	8	43	3	42	17	1
13	1	04	5	2	44	3	49	17	5
14	1	12	5	6	45	3	56	17	8
15	1	20	6	0	46	3	63	18	2
16	1	28	6	4	47	3	70	18	5
17	1	36	6	8	48	3	77	18	9
18	1	44	7	2	49	3	84	19	2
19	1	52	7	6	50	3	91	19	6
20	1	60	8	0	51	3	98	19	9
21	1	68	8	4	52	4	05	20	3
22	1	76	8	8	53	4	12	20	6
23	1	84	9	2	54	4	19	21	0
24	1	92	9	6	55	4	26	21	3
25	2	00	10	0	56	4	33	21	7
26	2	08	10	4	57	4	40	22	0
27	2	16	10	8	58	4	47	22	4
28	2	24	11	2	59	4	53	22	7
29	2	32	11	6	60	4	59	23	0
30	2	40	12	0	61	4	66	23	3
31	2	48	12	4	62	4	73	23	7

FIRST CLASS.—(Continued.)

63	4	80	24	0	109	7	42	37	1
64	4	87	24	4	110	7	47	37	4
65	4	94	24	7	111	7	52	37	6
66	5	00	25	0	112	7	57	37	9
67	5	06	25	3	113	7	62	38	1
68	5	12	25	6	114	7	67	38	4
69	5	18	25	9	115	7	72	38	6
70	5	24	26	2	116	7	77	38	9
71	5	31	26	6	117	7	82	39	1
72	5	37	26	9	118	7	86	29	3
73	5	43	27	2	119	7	90	39	5
74	5	49	27	5	120	7	94	39	7
75	5	55	27	8	121	7	99	40	0
76	5	61	28	1	122	8	04	40	2
77	5	67	28	4	123	8	09	40	5
78	5	73	28	7	124	8	14	40	7
79	5	79	29	0	125	8	18	40	9
80	5	85	29	3	126	8	22	41	1
81	5	91	29	6	127	8	26	41	3
82	5	97	29	9	128	8	30	41	5
83	6	03	30	2	129	8	34	41	7
84	6	09	30	5	130	8	38	41	9
85	6	15	30	8	131	8	42	42	1
86	6	21	31	1	132	8	46	42	3
87	6	27	31	4	133	8	50	42	5
88	6	32	31	6	134	8	54	42	7
89	6	37	31	9	135	8	58	42	9
90	6	42	32	1	136	8	62	43	1
91	6	48	32	4	137	8	66	43	3
92	6	54	32	7	138	8	70	43	5
93	6	60	33	0	139	8	74	43	7
94	6	66	33	3	140	8	78	43	9
95	6	71	33	6	141	8	82	44	1
96	6	76	33	8	142	8	86	44	3
97	6	81	34	1	143	8	90	44	5
98	6	86	34	3	144	8	94	44	7
99	6	91	34	6	145	8	98	44	9
100	6	96	34	8	146	9	02	45	1
101	7	02	35	1	147	9	06	45	3
102	7	07	35	4	148	9	09	45	5
103	7	12	35	6	149	9	12	45	6
104	7	17	35	9	150	9	15	45	8
105	7	22	36	1	151	9	19	46	0
106	7	27	36	4	152	9	23	46	2
107	7	32	36	6	153	9	26	46	3
108	7	37	36	9	154	9	29	46	5

FIRST CLASS.—(Continued.)

155	9	32	46	6	167	9	70	48	5
156	9	35	46	8	168	9	73	48	7
157	9	38	46	9	169	9	76	48	8
158	9	41	47	1	170	9	79	49	0
159	9	44	47	2	171	9	82	49	1
160	9	47	47	4	172	9	85	49	3
161	9	51	47	6	173	9	88	49	4
162	9	55	47	8	174	9	91	49	6
163	9	58	47	9	175	9	94	49	7
164	9	61	48	1	176	9	96	49	8
165	9	64	48	2	177	9	98	49	9
166	9	67	48	4	178	10	00	50	0

Ale in Bottles.
Butter—fresh.
Beeswax.
Boots and Shoes
Bonnets, in Cases.
Beer and Porter, in Bottles.
Beef—fresh.
Bread.
Cordage.
China.
Cider, in Bottles.
Cigars,
Copper, manufactured.
Charcoal.
Corn Brooms.
Cedar Ware.
Dry Goods.
Drugs and Medicines.
Feathers.
Flax.
Fish—fresh.
Furs and Peltry.
Glue.
Ginseng.
Grapes.
Hats.
Hops.
Hardware.
Horns.
Liquors—foreign.
Lemons.
Mill-Stones.
Marble—dressed.
Oil, in Bottles or Cases.
Oranges.
Oysters.
Paper.
Paints and Dry Stuffs.
Pork—fresh.
Queensware.
Raisins.
Snakeroot.
Shot.
Tea.
Tin Ware.
Tobacco, foreign, in Bales.
Tin, in Pigs.
Wines.

SECOND CLASS.

EIGHT DOLLARS PER TON OF 2,000 POUNDS,—OR 40 CENTS PER 100 POUNDS, for the ENTIRE DISTANCE, in either direction, between BALTIMORE and CUMBERLAND. (*When in quantities of not less than* 1,000 *Pounds.*)

MILES.	PER TON of 2,000 lbs.		PER 100 lbs.		MILES.	PER TON of 2,000 lbs.		PER 100 lbs.	
	Dolls.	*Cts.*	*Cts.*	*Mills.*		*Dolls.*	*Cts.*	*Cts.*	*Mills.*
1		7	0	4	32	2	13	10	7
2		13	0	7	33	2	20	11	0
3		20	1	0	34	2	27	11	4
4		27	1	4	35	2	33	11	7
5		33	1	7	36	2	40	12	0
6		40	2	0	37	2	46	12	3
7		46	2	3	38	2	53	12	7
8		53	2	7	39	2	60	13	0
9		60	3	0	40	2	67	13	4
10		66	3	3	41	2	73	13	7
11		73	3	7	42	2	79	14	0
12		80	4	0	43	2	85	14	3
13		87	4	4	44	2	91	14	6
14		93	4	7	45	2	97	14	9
15	1	00	5	0	46	3	03	15	2
16	1	07	5	4	47	3	09	15	5
17	1	13	5	7	48	3	15	15	8
18	1	20	6	0	49	3	21	16	1
19	1	27	6	4	50	3	26	16	3
20	1	33	6	7	51	3	32	16	6
21	1	40	7	0	52	3	37	16	9
22	1	46	7	3	53	3	43	17	2
23	1	53	7	7	54	3	48	17	4
24	1	60	8	0	55	3	54	17	7
25	1	66	8	3	56	3	59	18	0
26	1	73	8	7	57	3	65	18	3
27	1	80	9	0	58	3	70	18	5
28	1	87	9	4	59	3	76	18	8
29	1	93	9	7	60	3	81	19	1
30	2	00	10	0	61	3	87	19	4
31	2	07	10	4	62	3	92	19	6

SECOND CLASS.—(Continued.)

63	3	97	19	9	109	6	08	30	4
64	4	03	20	2	110	6	12	30	6
65	4	08	20	4	111	6	16	30	8
66	4	13	20	7	112	6	20	31	0
67	4	19	21	0	113	6	24	31	2
68	4	24	21	2	114	6	27	31	4
69	4	29	21	5	115	6	31	31	6
70	4	34	21	7	116	6	35	31	8
71	4	39	22	0	117	6	39	32	0
72	4	44	22	2	118	6	42	32	1
73	4	49	22	5	119	6	46	32	3
74	4	54	22	7	120	6	49	32	5
75	4	59	23	0	121	6	53	32	7
76	4	64	23	2	122	6	57	32	9
77	4	69	23	5	123	6	61	33	1
78	4	74	23	7	124	6	65	33	3
79	4	79	24	0	125	6	68	33	4
80	4	83	24	2	126	6	71	33	6
81	4	88	24	4	127	6	74	33	7
82	4	93	24	7	128	6	77	33	9
83	4	97	24	9	129	6	80	34	0
84	5	02	25	1	130	6	83	34	2
85	5	06	25	3	131	6	86	34	3
86	5	11	25	6	132	6	89	34	5
87	5	16	25	8	133	6	92	34	6
88	5	20	26	0	134	6	95	34	8
89	5	25	26	3	135	6	98	34	9
90	5	29	26	5	136	7	01	35	1
91	5	34	26	7	137	7	04	35	2
92	5	38	26	9	138	7	07	35	4
93	5	42	27	1	139	7	10	35	5
94	5	46	27	3	140	7	13	35	7
95	5	51	27	6	141	7	16	35	8
96	5	55	27	8	142	7	19	36	0
97	5	59	28	0	143	7	22	36	1
98	5	64	28	2	144	7	25	36	3
99	5	68	28	4	145	7	27	36	4
100	5	72	28	6	146	7	30	36	5
101	5	76	28	8	147	7	33	36	7
102	5	80	29	0	148	7	35	36	8
103	5	84	29	2	149	7	38	36	9
104	5	88	29	4	150	7	40	37	0
105	5	92	29	6	151	7	43	37	2
106	5	96	29	8	152	7	45	37	3
107	6	00	30	0	153	7	47	37	4
108	6	04	30	2	154	7	49	37	5

SECOND CLASS.—(Continued.)

155	7	52	37	6	167	7	78	38	9
156	7	54	37	7	168	7	80	39	0
157	7	56	37	8	169	7	82	39	1
158	7	58	37	9	170	7	84	39	2
159	7	61	38	1	171	7	86	39	3
160	7	64	38	2	172	7	88	39	4
161	7	66	38	3	173	7	90	39	5
162	7	68	38	4	174	7	92	39	6
163	7	70	38	5	175	7	94	39	7
164	7	72	38	6	176	7	96	39	8
165	7	74	38	7	177	7	98	39	9
166	7	76	38	8	178	8	00	40	0

Ale, in Barrels or Hogsheads.
Ashes—Pot or Pearl.
Apples, in Barrels.
Beer, in Barrels.
Burr—Blocks.
Clover Seed.
Cotton, in Bales.
Copper, in Pigs.
Candles.
Cider, in Barrels.
Cheese.
Earthen and Stoneware.
Flour, not at special rates.
Flax Seed.
Groceries.
Glass—Window.
Hides—dry.
Hay, in Bales.
Leather.
Molasses.
Mahogany.
Oil of all kinds in Casks.
Rags.
Rice.
Steel.
Slate.
Ship Stuff and Shorts.
Sugar, in Hhds. and Boxes.
Skins—Buffaloe.
Skins—Deer and Moose.
Seed—Timothy.
Wool, in Bales.

THIRD CLASS.

SIX DOLLARS PER TON OF 2,000 POUNDS,—OR 30 CENTS PER 100 POUNDS, for the ENTIRE DISTANCE, in either direction, between BALTIMORE and CUMBERLAND. (*When in quantities of not less than* 1,000 *Pounds.*)

MILES.	PER TON of 2,000 lbs.		PER 100 lbs.		MILES.	PER TON of 2,000 lbs.		PER 100 lbs.	
	Dolls.	*Cts.*	*Cts.*	*Mills.*		*Dolls.*	*Cts.*	*Cts.*	*Mills.*
1		6	0	3	32	1	70	8	5
2		11	0	6	33	1	75	8	8
3		16	0	8	34	1	80	9	0
4		21	1	1	35	1	86	9	3
5		27	1	4	36	1	92	9	6
6		32	1	6	37	1	97	9	9
7		37	1	9	38	2	02	10	1
8		43	2	2	39	2	08	10	4
9		48	2	4	40	2	14	10	7
10		53	2	7	41	2	19	11	0
11		58	2	9	42	2	24	11	2
12		64	3	2	43	2	28	11	4
13		69	3	5	44	2	33	11	7
14		74	3	7	45	2	38	11	9
15		80	4	0	46	2	42	12	1
16		85	4	3	47	2	47	12	4
17		90	4	5	48	2	51	12	6
18		96	4	8	49	2	56	12	8
19	1	01	5	1	50	2	60	13	0
20	1	06	5	3	51	2	65	13	3
21	1	11	5	6	52	2	70	13	5
22	1	16	5	8	53	2	74	13	7
23	1	22	6	1	54	2	78	13	9
24	1	28	6	4	55	2	82	14	1
25	1	33	6	7	56	2	87	14	4
26	1	38	6	9	57	2	91	14	6
27	1	43	7	2	58	2	95	14	8
28	1	48	7	4	59	2	99	15	0
29	1	54	7	7	60	3	03	15	2
30	1	60	8	0	61	3	08	15	4
31	1	65	8	3	62	3	12	15	6

THIRD CLASS.—(Continued.)

63	3	16	15	8	109	4	75	23	8
64	3	20	16	0	110	4	78	23	9
65	3	24	16	2	111	4	81	24	1
66	3	28	16	4	112	4	83	24	2
67	3	32	16	6	113	4	86	24	3
68	3	36	16	8	114	4	88	24	4
69	3	40	17	0	115	4	91	24	6
70	3	44	17	2	116	4	93	24	7
71	3	48	17	4	117	4	96	24	8
72	3	52	17	6	118	4	99	25	0
73	3	55	17	8	119	5	02	25	1
74	3	59	18	0	120	5	04	25	2
75	3	63	18	2	121	5	07	25	4
76	3	67	18	4	122	5	09	25	5
77	3	71	18	6	123	5	11	25	6
78	3	75	18	8	124	5	14	25	7
79	3	79	19	0	125	5	16	25	8
80	3	82	19	1	126	5	18	25	9
81	3	86	19	3	127	5	21	26	1
82	3	89	19	5	128	5	23	26	2
83	3	93	19	7	129	5	25	26	3
84	3	97	19	8	130	5	27	26	4
85	4	00	20	0	131	5	30	26	5
86	4	04	20	2	132	5	32	26	6
87	4	07	20	4	133	5	34	26	7
88	4	10	20	5	134	5	36	26	8
89	4	13	20	7	135	5	38	26	9
90	4	16	20	8	136	5	40	27	0
91	4	20	21	0	137	5	42	27	1
92	4	24	21	2	138	5	44	27	2
93	4	27	21	4	139	5	46	27	3
94	4	30	21	5	140	5	48	27	4
95	4	33	21	7	141	5	50	27	5
96	4	36	21	8	142	5	52	27	6
97	4	39	22	0	143	5	53	27	7
98	4	42	22	1	144	5	55	27	8
99	4	45	22	3	145	5	57	27	9
100	4	48	22	4	146	5	59	28	0
101	4	51	22	6	147	5	61	28	1
102	4	54	22	7	148	5	62	28	1
103	4	57	22	9	149	5	64	28	2
104	4	60	23	0	150	5	65	28	3
105	4	63	23	2	151	5	67	28	4
106	4	66	23	3	152	5	68	28	4
107	4	69	23	5	153	5	70	28	5
108	4	72	23	6	154	5	71	28	6

THIRD CLASS.—(Continued.)

155	5	73	28	7	167	5	89	29	5
156	5	74	28	7	168	5	90	29	5
157	5	76	28	8	169	5	91	29	6
158	5	77	28	9	170	5	92	29	6
159	5	79	29	0	171	5	93	29	7
160	5	80	29	0	172	5	94	29	7
161	5	82	29	1	173	5	95	29	8
162	5	83	29	2	174	5	96	29	8
163	5	84	29	2	175	5	97	29	9
164	5	85	29	3	176	5	98	29	9
165	5	87	29	4	177	5	99	30	0
166	5	88	29	4	178	6	00	30	0

Brick.
Bark, ground.
Barley.
Corn.
Grind-Stones.
Hollow-ware Castings.
Hides, green.
Hemp and Flax, in Bales.
Iron, manufactured.
Nails and Spikes.
Oats.
Rye.
Tobacco, American. in hhds. or Bales.
Wheat, when hauled 50 miles or over to be subject to a deduction of 10 per cent. on the amount of freight as shewn by the Tariff.

FOURTH CLASS.

FIVE DOLLARS PER TON OF 2,000 POUNDS,—OR 25 CENTS PER 100 POUNDS, for the ENTIRE DISTANCE, in either direction, between BALTIMORE and CUMBERLAND. (*When in quantities of not less than* 1,000 *Pounds.*)

MILES.	PER TON of 2,000 lbs.		PER 100 lbs.		MILES.	PER TON of 2,000 lbs.		PER 100 lbs.	
	Dolls.	*Cts.*	*Cts.*	*Mills*		*Dolls.*	*Cts.*	*Cts.*	*Mills.*
1		4		2	32	1	28	6	4
2		8		4	33	1	32	6	6
3		12		6	34	1	36	6	8
4		16		8	35	1	40	7	0
5		20	1	0	36	1	44	7	2
6		24	1	2	37	1	48	7	4
7		28	1	4	38	1	52	7	6
8		32	1	6	39	1	56	7	8
9		36	1	8	40	1	60	8	0
10		40	2	0	41	1	64	8	2
11		44	2	2	42	1	68	8	4
12		48	2	4	43	1	72	8	6
13		52	2	6	44	1	76	8	8
14		56	2	8	45	1	80	9	0
15		60	3	0	46	1	84	9	2
16		64	3	2	47	1	87	9	4
17		68	3	4	48	1	90	9	6
18		72	3	6	49	1	93	9	7
19		76	3	8	50	1	96	9	8
20		80	4	0	51	2	00	10	0
21		84	4	2	52	2	04	10	2
22		88	4	4	53	2	08	10	4
23		92	4	6	54	2	12	10	6
24		96	4	8	55	2	15	10	8
25	1	00	5	0	56	2	18	10	9
26	1	04	5	2	57	2	21	11	1
27	1	08	5	4	58	2	24	11	2
28	1	12	5	6	59	2	27	11	4
29	1	16	5	8	60	2	30	11	5
30	1	20	6	0	61	2	34	11	7
31	1	24	6	2	62	2	38	11	9

FOURTH CLASS.—(Continued.)

63	2	41	12	1	109	3	72	18	6
64	2	44	12	2	110	3	74	18	7
65	2	47	12	4	111	3	77	18	9
66	2	50	12	5	112	3	80	19	0
67	2	53	12	7	113	3	83	19	2
68	2	56	12	8	114	3	85	19	3
69	2	59	13	0	115	3	87	19	4
70	2	62	13	1	116	3	89	19	5
71	2	65	13	3	117	3	91	19	6
72	2	68	13	4	118	3	93	19	7
73	2	71	13	6	119	3	95	19	8
74	2	74	13	7	120	3	97	19	9
75	2	77	13	9	121	4	00	20	0
76	2	80	14	0	122	4	03	20	2
77	2	83	14	2	123	4	05	20	3
78	2	86	14	3	124	4	07	20	4
79	2	89	14	5	125	4	09	20	5
80	2	92	14	6	126	4	11	20	6
81	2	95	14	8	127	4	13	20	7
82	2	98	14	9	128	4	15	20	8
83	3	01	15	1	129	4	17	20	9
84	3	04	15	2	130	4	19	21	0
85	3	07	15	4	131	4	21	21	1
86	3	10	15	5	132	4	23	21	2
87	3	13	15	7	133	4	25	21	3
88	3	16	15	8	134	4	27	21	4
89	3	19	16	0	135	4	29	21	5
90	3	21	16	1	136	4	31	21	6
91	3	24	16	2	137	4	33	21	7
92	3	27	16	4	138	4	35	21	8
93	3	30	16	5	139	4	37	21	9
94	3	33	16	7	140	4	39	22	0
95	3	36	16	8	141	4	41	22	1
96	3	39	17	0	142	4	43	22	2
97	3	42	17	1	143	4	45	22	3
98	3	44	17	2	144	4	47	22	4
99	3	46	17	3	145	4	49	22	5
100	3	48	17	4	146	4	51	22	6
101	3	51	17	6	147	4	53	22	7
102	3	54	17	7	148	4	55	22	8
103	3	57	17	8	149	4	57	22	9
104	3	60	18	0	150	4	58	22	9
105	3	63	18	2	151	4	60	23	0
106	3	66	18	3	152	4	62	23	1
107	3	68	18	4	153	4	64	23	2
108	3	70	18	5	154	4	66	23	3

FOURTH CLASS.—(Continued.)

155	4	68	23	4	167	4	86	24	3
156	4	70	23	5	168	4	87	24	4
157	4	71	23	6	169	4	88	24	4
158	4	72	23	6	170	4	89	24	5
159	4	73	23	7	171	4	91	24	6
160	4	74	23	7	172	4	93	24	7
161	4	76	23	8	173	4	95	24	8
162	4	78	23	9	174	4	96	24	8
163	4	80	24	0	175	4	97	24	9
164	4	82	24	1	176	4	98	24	9
165	4	84	24	2	177	4	99	25	0
166	4	85	24	3	178	5	00	25	0

Ashes, leached or kelp.
Bacon, in hhds. or loose.
Beef, in bbls.
Bark, unground.
Butter, in firkins or casks.
Coffee.
Chrome Ore.
Copper Ore.
Cabbages.
Fire-Wood.
Fish, salted, in bbls.
Granite.
Hoop-Poles.
Heading and Staves for bbls. and hhds.
Iron Ore.
Iron, in blooms.
Iron, in pigs.
Iron, scrap.
Lead, in bars and pigs.
Lime and Limestone.
Lumber generally,
Lard, in kegs or casks.
Marble, undressed.
Manure.
Pork, salted.
Potatoes, Turnips, and other Vegetables.
Pipe and German Clay, in casks or boxes.
Pitch.
Rails & Posts, for Fencing.
Rosin.
Salt.
Shingles.
Tallow.
Tar.
Tin Plate, in boxes.
Whiskey, in bbls. or hhds.

SPECIFIC RATES.

FLOUR.

From	CUMBERLAND,	to	BALTIMORE,	per bbl.	60 cents.
"	Patterson's Creek,	to	"	"	60 "
"	Green Spring Run,	to	"	"	60 "
"	Little Cacapon,	to	"	"	56 "
"	Great Cacapon,	to	"	"	54 "
"	Hancock,	to	"	"	50 "
"	Licking Creek,	to	"	"	48 "
"	North Mountain,	to	"	"	45 "
"	Hedgesville,	to	"	"	43 "
"	Martinsburg,	to	"	"	40 "
"	Flagg's Mill,	to	"	"	40 "
"	Kerneysville,	to	"	"	38 "
"	Duffield's,	to	"	"	36 "
"	HARPER'S FERRY,	to	"	"	34 "
"	Weverton,	to	"	"	
"	Knoxville,	to	"	"	32 "
"	Berlin,	to	"	"	
"	Catocton,	to	"	"	
"	Point of Rocks,	to	"	"	32 "
"	FREDERICK,	to	"	"	30 "
"	Doup's Switch,	to	"	"	
"	Davis' Switch,	to	"	"	
"	Buckeystown,	to	"	"	
"	Monocacy,	to	"	"	28 "
"	Reel's Mill,	to	"	"	
"	Ijamsville,	to	"	"	
"	Monrovia,	to	"	"	
"	Mount Airy,	to	"	"	26 "
"	Woodbine,	to	"	"	23 "
"	Hood's Mill,	to	"	"	21 "
"	Sykesville,	to	"	"	20 "
"	Marriottsville,	to	"	"	17 "
"	Woodstock,	to	"	"	15 "
"	Elysville,	to	"	"	13 "
"	Ellicott's Mills,	to	"	"	9 "
"	Ilchester,	to	"	"	8 "

☞ *For intermediate distances, at Second Class Rates, estimating Ten Barrels as equivalent to a Ton.*

FURNITURE, MACHINERY, CARRIAGES, AGRICULTURAL IMPLEMENTS, EMPTY BARRELS, and ALL ARTICLES requiring extraordinary care and space, at *First Class Rates*, by special agreement for the exclusive use or estimated capacity of the Car; or, by cubical measurement estimating Fifty Cubic feet as equivalent to a Ton.

LIVE STOCK, viz—HORSES, HORNED CATTLE, SHEEP and HOGS, when in entire Car loads at *Second Class Rates*. When in fractions of loads, *by special agreement for the exclusive use of the Car.*

PLASTER—Two Cents per ton per mile.

CUMBERLAND COAL—Two Cents per ton per mile.

SPECIE will be transported *only* in the Passenger Trains, under the care of the owner or his agent, by special agreement with an *authorised* Agent of the Company.

NOTE.—On the opening of the road to Cumberland, instructions were given to the Agents to charge all articles belonging to the 2nd, 3rd and 4th Classes, when in quantities less than 1000 lbs., at the rates of the First Class for the actual distance as shewn by the Tariff. Subsequently however the Board directed that, in cases where a consignment is made to the same individual of Miscellaneous Articles belonging to the same Class, the aggregate weight of which is 1000 lbs. or over, they shall be charged at the rate appropriate to the Class to which they belong.

COMMUNICATION

OF THE

President of the Baltimore and Ohio Rail Road Company,

IN RELATION TO

STATE BONDS,

IN OBEDIENCE TO

AN ORDER OF THE HOUSE OF DELEGATES, JAN. 5TH, 1842.

COMMUNICATION.

OFFICE OF THE BALTIMORE AND OHIO R. R. Co.
January 9th, 1843.

To the Chairman of the Committee of Ways and Means, of the House of Delegates of Maryland:

SIR,—My answer to your letter of the 5th inst., enclosing an order of the House of Delegates of the same date, has been delayed in consequence of my attendance upon the Court of Appeals, at Annapolis.

By that order, the Committee of Ways and Means are directed "to inquire into the expediency of authorising the Treasurer of the Western Shore to recall the three millions of State bonds, issued under the eight million loan of 1835, for the Baltimore and Ohio Rail Road Company, at present in the hands of the Barings, Brothers and Company, in London;" and it appears by your letter, that the Committee of Ways and Means, are desirous of knowing the views of this Company on the subject, before they respond to the order.

With my acknowledgements for the opportunity afforded by the Committee, I have to observe, that there are no bonds in the possession of the Company, or in the hands of the Messrs. Barings, Brothers and Company, issued under the eight million loan of 1835, and that no bonds were, at any time, delivered to the Company, under the act authorising that loan.

In 1834, the city authorities of Baltimore, anxious to prosecute the Rail Road to the Ohio River, in order to secure to her citizens the trade of the West, proposed to subscribe to the work, the sum of $3,000,000, provided it should be expended upon that part of the road between Harper's Ferry and Cumberland, and in the expectation, that a similar amount should be contributed by the State, towards the prosecution of the work westward.

The act of 1835, chapter 395, commonly called the "eight million loan act," authorised the Treasurer of the Western Shore, to subscribe to the stock of the Company, three millions of dollars, upon the terms stated in the act. On the 23rd day of September 1836, the Treasurer made the subscription accordingly. On the 27th day of the same month the Mayor of the City of Baltimore,

subscribed a like sum in the name of the City, and with the proceeds of this latter subscription, the road has been finished to Cumberland.

By the act of 1835, ch. 395, the amount of the State's subscription was to be paid to the Company, not in bonds, but in money; and to raise the requisite amount for that purpose, the Treasurer was authorised to issue the bonds of the State, to be delivered to Commissioners appointed by the State, to be by them sold in Europe, at a certain premium, and the proceeds to be paid into the Treasury, and by the Treasurer to be paid to the Company according to the provisions of the act. The Commissioners found it impracticable to dispose of the bonds according to the terms of the law, and the Company were unable at any time to obtain payment of any part of the State's subscription in the manner provided by the act of 1835.

In consequence of these difficulties, the subscription on the part of the State, remained merely nominal, until the year 1839. On the 5th April 1839, the Legislature passed "an act to provide the ways and means to meet the subscriptions on the part of the State to works of Internal Improvement"; and by that act they proposed to the Company, in lieu of the mode of payment provided by the act of 1835, to accept in satisfaction of the State's subscription the *sterling* bonds of the State to the amount of *three millions, two hundred thousand dollars*, and to secure by mortgage, upon the property and revenues of the Company, the payment of the interest at the rate of five per centum per annum on the bonds created by the act for the term of three years from the date of the bonds.

The company accepted the proposition contained in the law of the 5th April 1839, regularly executed the required mortgage to the satisfaction of the Treasurer of the Western Shore, and received from the *Commissioner of Loans*, the sum of $3,200,000, in the sterling bonds of the State, on their own account and for their own use, to be disposed of at their own pleasure, without other accountability to the State, than that raised by the mortgage, and such as might arise from the duty of faithfully applying them to the purposes of the company.

The State thereby became released from other or further payment of her subscription; and the company acquired the absolute ownership and disposal of the bonds, as fully, to all intents and purposes, as any other owner of the bonds of the State, who may have acquired them by purchase or otherwise.

Upon these facts, it is presumed, no doubt can be entertained by any one, that the arrangement proposed by the act of 5th April 1839, and assented to by the company, is an executed contract which cannot be changed by one of the parties, without the assent of the other; and that the State having actually paid her subscription, though in the form of her bonds, cannot by any act of her own recall it, unless indeed, she should prefer paying the money in lieu of the bonds, to which the company would doubtless not object.

It is impossible, I think sir, after the views here presented seriously to suppose, that the Legislature possesses any right to recall the bonds delivered to the company, and now in the hands of Messrs. Baring, Brothers and Company, and I venture to express the hope, that an attempt in any other way to impair their value, will receive no greater favor.

They have been delivered to the company in discharge of the State's obligation, and for the furtherance of a great work of internal improvement, are entitled to the same respect as any other portion of the public debt, and the care which the company have heretofore taken of them, ought to be sufficient guarantee, that they have knowledge enough of their own interests and duties, not to sacrifice them in future.

Independent of this, the large expenditure already incurred by the city of Baltimore, in the prosecution of that part of the work to which her contribution was particularly applicable, and the sacrifices to which on that account her citizens have been subjected, present an additional consideration why the engagement on the part of the State should be adhered to with the strictest good faith.

I have the honor to be, sir,

Very respectfully, your ob't serv't,

LOUIS McLANE, *President.*

[Document N.]

BY THE HOUSE OF DELEGATES,
February, 31st, 1843.

Read and ordered to be printed.

REPORT

OF THE

COMMITTEE ON INTERNAL IMPROVEMENT,

ENCLOSING ANSWERS OF THE

President of the Baltimore and Ohio Rail Road Company,

In obedience to an Order of the

HOUSE OF DELEGATES OF MARYLAND,

JANUARY 16th, 1843.

REPORT.

The committee on internal improvement, who were by an order passed the House of Delegates the 16th instant.

Ordered to inquire of the President, and if necessary, other officers of the internal improvement companies of this State—

1. The name of all such individuals as have been employed, or authorised to be employed by the said companies, the amount of compensation paid to, allowed or claimed by such persons for services rendered during the past sessions of the General Assembly of this State, together with the services stipulated to be rendered by such persons during the past sessions.

2. Whether any of said companies have employed, or intend employing, any individuals to attend the present General Assembly, and if so, their names, the services stipulated for, and the amount of compensation offered or demanded.

3. What amount of free tickets have been authorised or issued by the president, directors or other officers of the Baltimore and Ohio Rail Road Company.

4. Whether the Baltimore and Ohio Rail Road Company have not paid out in the State of Maryland, the money of other States at its par value, and afterwards refused to receive such monies for transportation of passengers, produce or minerals, except at a discount.

5. The names of all such persons as have been employed by the Baltimore and Ohio Rail Road Company, and Chesapeake and Ohio Canal Company, as legal counsel, the services rendered, compensation charged by or allowed to such counsel.

6. The names of the officers and agents in the employment of said companies, with the annual salary, and other compensation of said officers and agents, together with a particular statement of the amount of extra pay, or additional compensation, which has at any time been paid or given, or contracted to be paid or given, to any officer or agent of either of said companies, and the services for which such extra pay or additional compensation has been given or paid, or contracted so to be; and that said directors report before the 15th of February next.

Report to the House the accompanying answers of Louis McLane to the above recited order. J. S. OWENS,

From the Committee on Internal Improvement.

OFFICE OF THE BALTIMORE AND OHIO R. R. Co.

January 24th, 1843.

To W. V. BUSKIRK, ESQ.

Chairman Committee of Internal Improvement, Ho. Del.

SIR,—I received on the 20th your letter of the 19th inst., transmitting a copy of an order passed by the House of Delegates on the 16th inst., in the following words—

"Ordered, that the committee on internal improvement inquire of the president, and if necesssary, other officers of said companies of this State.

1. "The name of all such individuals as have been employed, or authorised to be employed by the said companies, the amount of compensation paid to, allowed or claimed by such persons for services rendered during the past sessions of the General Assembly of this State, together with the services stipulated to be rendered by such persons during the past sessions.

2. "Whether any of the said companies have employed, or intend employing any individuals to attend the present General Assembly, and if so, their names, the services stipulated for, and the amount of compensation offered or demanded.

3. "What amount of free tickets have been authorised or issued by the president, directors or other officers of the Baltimore and Ohio Rail Road Company.

4. "Whether the Baltimore and Ohio Rail Road Company have not paid out in the State of Maryland, the money of other States at its par value, and afterwards refused to receive such monies for transportation of passengers, produce or minerals, except at a discount.

5. "The names of all such persons as have been employed by the Baltimore and Ohio Rail Road Company, and the Chesapeake and Ohio Canal Company, as legal counsel, the services rendered, and compensation charged by or allowed to such counsel.

6. "The names of the officers and agents in the employment of said companies, with the annual salary, and other compensation of said officers and agents, together with a particular statement of the amount of extra pay, or additional compensation, which has at any time been paid or given, or contracted to be paid or given, to any officer or agent of either of said companies, and the services for which such extra pay or additional compensation has been given or paid, or contracted so to be, and that the said officers report before the 15th of February next."

So far as this order relates to this company, I submit the following answers—

1st. Presuming that this question does not apply to such attention, as in the accustomed line of their duty, may have been given by the president and directors, to the affairs of the company before the Legislature, without special compensation, I have to state, that the accompanying official statement from the secretary

of the company, marked A, and the documents thereto annexed, marked 1, 2 and 3, contain, all the names of all such individuals, so for as they can be ascertained from the records of the company, as have been employed or authorised to be employed, or claiming to be employed by this company, and also the amount of compensation paid to, allowed or claimed by such persons for services rendered during the past sessions of the Legislature of the General Assembly of this State, together with the services stipulated to be rendered by such persons during the said sessions.

In regard to the claims preferred by Mr. Joseph I. Merrick, I have to observe, that a majority of the present board of directors, not being satisfied from the records of the company of their authority to recognise it, the claim was disallowed; and a suit afterwards instituted by Mr. Merrick to recover the amount, has been subsequently stricken from the record.

I have to add, that in a single instance only since the year 1837, upon an occasion when it was supposed that it might become necessary to present to the Legislature some explanation of the legal rights of the company, John Nelson, Esq. of this city, was requested to attend at Annapolis as counsel, and to act in that emergency, should it arise; and for his attendance on that occasion, he demanded and was paid the sum of $200.

2nd. To the second question I have to state, that this company has not employed, and as far as I have any knowledge, does not intend to employ any individual or individuals to attend the present session of the General Assembly; but this answer is not to be understood as applying to the president or any director of the company, who may, if occasion should require it, attend at Annapolis without compensation, for the purpose of explaining the affairs of the company committed to their management.

3rd. The documents hereto annexed marked B, contains a full answer to this question.

4th. In reply to this part of the order I have to state, that previous to the 18th of May last, this company did not receive any money of other States for the transportation of passengers, produce, or minerals, which was at a depreciation, and not bankable in Baltimore, without being allowed the current discount. On the 18th of May, in order to accommodate the travellers and consignees of merchandize, as far as the interests of the company would possibly allow, the several agents were directed to receive at par, the notes of all banks paying specie in the cities of *Boston*, *New York* and *Philadelphia*, and of all the banks in *Maryland*, excepting the bank at *Salisbury*, and also to receive at par the notes of all other specie paying banks, which should not be at a greater discount in Baltimore than 2½ or 3 per cent.

Anterior to, and since the 18th May, all money not taken at par under the order of that date, was received by the several receiving agents at the current rate of discount, by the same agent it was immediately exchanged for par paper, and his deposit and payment over to the company made daily in *bankable money*.

During the same period, the *contractors* on the line of the road engaged in the work of construction, having agreed, in consideration of being permitted to proceed with their work, to receive part of their monthly estimates in paper of *Virginia* Banks, the company, to relieve the city authorities, consented to receive from them in similar paper, the like amount in the payment of the monthly instalments of the city's subscription; and so receiving it at par, they paid it to the contractors at the same rate. These arrangements with the contractors and city authorities, however, were confined to their special transactions, and with a full knowledge of the company's uniform regulations, by which no uncurrent money could be received for transportation of passengers, produce or minerals,

I will add, that although by conforming to what is of daily occurence in almost every line of business, and paying at par to those willing to receive it, paper which may have been received from others at a discount, this company not only might have relieved their customers from considerable inconvenience, but have also augmented its revenue; it is believed no instance of the kind has ever occurred, the company uniformly preferring to conduct its operations upon the basis of the par value of all paper money, neither receiving nor paying below that standard; and in the whole series of this company's multifarious transactions, I have, no knowledge, and do nor believe in the existence of the slightest pretence for the insinuation in this inquiry.

5th. The annexed statement marked C, compiled by the secretary from the records of the company, comprises the answer to the fifth question.

6th. In answer to this enquiry, I herewith transmit an official statement prepared by the secretary, marked D, which contains the names of the officers and agents in the employment of the Baltimore and Ohio Rail Road Company, and also shews the annual salary or other compensation of the said officers and agents.

I have deemed it proper also, to annex the resolution and proceedings of the board on the 27th of December 1836, fixing the salary of the president, marked E. It was subsequent to the date of these proceedings, that the wishes of the company were for the first time made known to me, and that I was invited to remove from the city of New York, where I was engaged in a more lucrative employment, and become the president of this company. The terms of the resolution necessarily formed a material element in my decision, and, together with important public considerations connected with the subject, induced my acceptance on the 28th of January following.

A copy of the letter of acceptance is herewith submitted, and with other information applicable to the present order, forms part of an answer from this company, dated the 31st of January 1840, to an order of the House of Delegates, passed the 20th of the same month.

I take occasion also to comprehend in this answer, (and to invite the particular attention of the committee, and of the Legislature thereto,) the report of a select committee, and of the executive officers of the Baltimore and Ohio Rail Road Company on the subject of retrenchment in May last. (A printed pamphlet.)

These reports fully, and in minuter detail than can be presented otherwise, exhibit the order and economy which since 1837, have been gradually introduced into every branch of the company's service. Without a careful examination of the facts contained in these reports, it will be impossible for the Legislature entirely to comprehend the subject, or justly appreciate the labors and management of such a company.

Leaving these reports to the attention which the committee and Legislature will doubtless bestow upon them, it may be sufficient in this place to state, that the result shews, by undeniable facts and analogies, as the committee state, "*that at this time the operations of the company are conducted on so low a scale af expenditure, that it may be advantageously compared with thdt of any work of a similar character in the world.*"

I have no knowledge of any other "extra pay or additional compensation, which has at any time been given to any officer or agent of this company," than that to Caspar W. Wever, in the year 1836, as contained in the secretary's statement, unless the order may be supposed to relate to the commission agreed to be allowed to the president of the company for his agency abroad in 1839, for disposing of the sterling bonds of the State, delivered to the board in payment of the State's subscription to the capital stock of the company.

In case this should be the design of the inquiry, I have caused extracts to be made from the report of the committee of finance, proposing the allowance, and from the minutes of the board, by which it was confirmed, and hereto annexed marked F; and in regard to this matter, I deem it proper to state, that the same facts have heretofore been officially communicated in a letter to the chairman of the committee of internal improvements of the House of Delegates, on the 31st of January 1840, in answer to an order of the House of Delegates of the 20th of the same month.

In this letter, and the papers accompanying it, it has been my aim fully to reply to the entire scope of the inquiries comprehended in the order, and I believe it will be found that I have done so; if, however, the committee should be of a different opinion, it will afford me pleasure to give them access to the whole archives of the company in such form as they may prefer.

I have the honor to be, sir, your ob't. serv't.,

LOUIS McLANE, *President.*

APPENDIX.

(*Copy of Mr. McLane's letter, accepting the office of President.*)

NEW YORK, *January 28th*, 1837.

GENTLEMEN:

I have already had the pleasure, in our interviews in this city, to express my acknowledgments of the kind and handsome manner, in which the directors of the Baltimore and Ohio Rail Road Company have elected me to the office of President; and I beg leave, on this occasion, to convey them to your colleagues in the board.

Regarding the enterprise, with which the directors have been pleased to connect me, as one of the most important of our national works, deeply interesting to the States with which it is immediately connected, and, especially, essential to the prosperity of Maryland and the city of Baltimore, I should feel a pride in being associated with its future progress and completion.

Any steps for this purpose, however, would have to be reconciled, in point of time, to the interests which might be affected by separating from my present connexions; and it was, moreover, necessary, that I should be made acquainted with the grounds justifying a reasonable prospect of my being able to realise the expectations of the directors, and of the practicability of completing, by our joint exertions, the great work they have in hand.

The explanation of the committee upon the first point being satisfactory, the last, and to the board and myself the most important, remained for consideration.

In my reflections upon this subject, it was impossible I should be unmindful of the over-estimate which the board have been pleased to make of my ability to serve them; and, if I supposed that more could be expected of me than diligently and faithfully to second the efforts of the directors and others, to make available and apply the various resources upon which the success of the work must ultimately depend, that, of itself, would have deterred me from the task. I am led to consider, however, that the expectations of the board will be satisfied by a faithful employment of my best faculties in the service of the company; and

though our mutual labors may be arduous, the enterprise, itself, is so full of benefit to the country at large, and presses such cogent appeals to the vital interests of the enlightened communities with which it is more immediately connected, as to warrant even greater hazard than, I hope, can attend its completion.

Confiding, therefore, in the various resources, as explained by the committee, and in the hope that they may reasonably be made available; in the peculiar importance of the work to the State of Maryland and the city of Baltimore, and in the wise liberality of those authorities; and relying upon the known ability of those with whom I am to be associated in our various duties; and upon the generous support which we have a right to expect from the stockholders and others not less interested, I have the pleasure to inform you that, I accept the office to which the board have been pleased to elect me.

At present, it is impossible for me to say at what precise time it will be in my power finally to quit my post here; but, as soon as the necessary arrangements for that purpose can be made, I will repair to Baltimore, and enter upon my duties there—in the mean time, I will take an early opportunity of meeting the board for the purpose of consultation upon some points, which appear to me to require prompt attention.

I remain, gentlemen,
With sincere regard,
Your obedient serv't,
(signed,) LOUIS McLANE.

To Messrs. Patterson, Swan and Latrobe, Committee, &c.

(A.)

Statement of the names of all such individuals as have been employed, or authorised to be employed by the Baltimore and Ohio Rail Road Company, the amount of compensation paid to, allowed, or claimed by such persons for services rendered during the past sessions of the General Assembly of the State, &c. &c.

1833.		
April 8,	Paid J. I. Merrick, E. L. Finley and J. W. McCulloh, for professional services during the late session of the Legislature of Maryland,	$1,600 00
1836.		
January 7,	" J. W. McCulloh retaining fee,	500 00
" 20,	" Wm. M. Stewart professional services, - - - - -	100 00
March 3,	" James W. McCulloh fees, -	569 90
Sept. 14,	" John P. Kennedy expenses at Annapolis, - - - - -	500 00
1839.		
June 8,	Claimed by J. I. Merrick as having been "employed by J. W. McCulloh, acting in behalf of the Baltimore and Ohio Rail Road Company to solicit from the Legislature of Maryland a subscription to the capital stock of that company to the amount of $3,000,000"—as per copy of account annexed, numbered 1,	8,930 10

Office of the Baltimore and Ohio R. R. Co.
January 24th, 1843.

J. I. ATKINSON, *Secretary.*

No. 1.

(*Copy of Mr. Merrick's Account.*)

The Baltimore and Ohio Rail Road Company,
To Joseph I. Merrick, Dr.

1836.

Sept. 23rd,—To amount stipulated to be paid to me on terms and conditions this day complete, - - - - - $10,000 00

Cr.

By cash paid by you on account to James W. McCulloh, and since accounted for and paid over to me by him with interest from 23rd Sept. 1836, 1,069 90

Balance due, $8,930 10

Interest from Sept. 23rd, 1836, until paid.

JOSEPH I. MERRICK.

Baltimore, January 21st, 1840.

To the President and Directors of the Baltimore and Ohio Rail Road Company:

I do hereby certify the above account to be correctly stated, and that the balance of eight thousand, nine hundred and thirty dollars and ten cents, is owing by the said Company to Joseph I. Merrick, Esq., with interest from September 23rd, 1836.

JAMES WM. McCULLOH.

No. 2.

(*Copy of Letter of James W. McCulloh.*)

BALTIMORE, *6th January*, 1836.

Dear Sir,—For a retaining fee of five hundred dollars to be paid me, I will take charge of the affairs of your company touching the procurement of a subscription to its capital stock by the State to the amount of three millions of dollars; the further sum of nine thousand, five hundred dollars to be paid to me, in the event of a subscription being obtained to the amount of three millions of dollars, or in proportion for any less sum the State may agree to subscribe, and which the company may accept, with the understanding also, that said compensation shall be in full satisfaction of the services of such persons as I may call to my assistance in the aforesaid business.

Very truly yours,
JAS. WM. McCULLOH.

To PHILIP E. THOMAS, ESQ.,
President of the Ball. & Ohio Rail Road Co.

No. 3.

(*Copy of Letter of Joseph I. Merrick.*)

HAGERSTOWN, *June* 8, 1839.

Sir,—In the winter of 1835–'6, I was employed by J. W. McCulloh, Esquire, acting in behalf of the Baltimore and Ohio Rail Road Company, to solicit from the Legislature of Maryland a subscription to the capital stock of that company to the amount of three millions of dollars.

The compensation offered and agreed to, was ten thousand dollars; altogether contingent or dependent upon the fact of such a subscription being made.

The law desired was passed in May 1836, containing many other provisions very valuable to your company, which promptly by its public corporate act, accepted it. In the autumn of that year your company demanded at the hands of the Treasurer, the act of subscription, which in obedience to the law he accordingly performed.

On that day my right to the stipulated reward was perfect, and every day's delay since has been in prejudice of that right, productive of much injury to me, and as I think wholly indefensible.

I cannot blame you, sir, for you knew not of it, nor do I wish to censure any one; but simply and plainly to state my right, and ask that it now at least be conceded to me, with interest during the term of delay.

If any part of my statement be new to the present Board of Directors, I ask leave to refer to J. W. McCulloh, Esquire, who will verify all the facts, and with whom I have left a paper made and delivered by him to me at the time, as a memorandum of the contract.

I ask leave further to refer to Philip C. Thomas, Esquire, (at that time President of the Company and Chairman of the Committee which contracted first with Mr. McCulloh,) who knew of my employment and of the terms on which I was engaged.

My efforts were laborious, various and long continued. My expenses onerous—my sacrifices heavy. I trust I am not to be doomed to much longer delay. I have waited patiently, expecting of the justice and liberality of the company my promised and hard earned remuneration. I am sorry now to find it necessary to claim it.

With the highest respect,
I am your obedient servant,
(Signed) JOSEPH I. MERRICK.

To the Hon. LOUIS MCLANE,
President of the Balt. & Ohio Rail Road Co.

(B.)

Statement of Free Tickets issued by the Baltimore and Ohio Rail Road Company.

By resolution of the Board passed at their meeting on the 7th of October, 1842, as follows:

Resolved, That each of the Stockholders, including the Governor of the State, the Secretary of State, the Treasurer of the Western Shore, each member of the Legislature, the Mayor of the City, and each of the members or the City Council, be permitted to make one trip over the road, free of charge, at any time from the opening of the road until the 1st of December ensuing, under such regulations as the President may prescribe.

At their meeting on the 2nd of November last, the Board extended the time to the 1st of January, and on the 7th of December they made a further extension of the time to the 1st of June next.

Besides these, no free tickets are issued; but the right of free travel over the road by various resolutions of the Board, has been and is now extended to the following persons, viz:

The President, Directors, Secretary and Clerks of this Company.

The wives and children of the President, Directors and Secretary.

The Engineers and persons employed in the Engineer Department.

The Superintendent and Agents in the employ of this Company.

The Cashier of the Patapsco Bank.

The privilege of free travel having been granted to the officers of this company, the same has been reciprocated to the following companies; that is to say,

To the Stage Proprietors of the firms of Stockton, Falls & Co., and Hutchinson & Weast.

The President of the Chesapeake and Ohio Canal Company.

The President and Vice President of the Philadelphia, Wilmington and Baltimore Rail Road Company.

The Presidents of the Baltimore and Susquehanna, of the New Castle and Frenchtown, of the Richmond and Fredericksburg, of the Petersburg and Roanoke, of the Annapolis and Elk Ridge, and of the Winchester and Potomac Rail Road Companies.

Each of the Counsel of, and the Agents in procuring the right of way for the Baltimore and Ohio Rail Road Company.

Special agents of the Post Office Department travel free in pursuance of the Company's contract with the Department for conveying the Mail.

Office of the Baltimore and Ohio Rail Road Company,
January 23, 1843.

J. I. ATKINSON, *Secretary.*

(C.)

STATEMENT

Of the names of all such persons as have been employed by the Baltimore and Ohio Rail Raad Company as legal Counsel, the services rendered, and the compensation charged by, or allowed to such Counsel.

1828.		
March 6,	Paid R. B. Taney for his legal opinion,	$50 00
April 22,	" do. do.	100 00
May 24,	" do. retaining fee as permanent Counsel, - - -	200 00
" "	" Wm. Gwynn for his opinion as to the right to locate on a particular route, - -	50 00
July 9,	" J. H. B. Latrobe, professional services in procuring rights to land along the Potomac, -	1,000 00
" "	" Wm. Gwynn, advice and professional services, -	450 00
" 15,	" J. V. L. McMahon, do.	1,000 00
1829.		
March 24,	" J. H. B. Latrobe, Counsel for the Company, - - -	250 00
June 18,	" R. Johnson, retaining fee in cases in Chancery, - -	100 00
Aug. 14,	" do. professional services,	100 00
Dec. 7,	" Wm. Gwynn, do.	500 00
" 10,	" J. H. B. Latrobe, do.	500 00
" 11,	" Roger B. Taney, do.	700 00
" "	" Reverdy Johnson, do.	300 00
" "	" J. V. L. McMahon, do.	500 00
1830.		
Sept. 30,	" H. D. Evans, do.	50 00
Oct. 12,	" J. H. B. Latrobe, do.	100 00
" 14,	" Wm. Gwynn, do.	100 00
Dec. 17,	" John Nelson, do.	100 00
1831.		
Dec. 3,	" Roger B. Taney, do.	300 00
April 17,	" J. H. B. Latrobe, do.	500 00
" 5,	" Wm. Gwynn, do.	1,000 00
July 6,	" Sundries, do.	267 17
Oct. 6,	" Sundry persons, do.	482 97
" 26,	" Daniel Webster, do.	500 00
" 29,	" John Nelson, do.	1,865 00
Nov. 22,	" J. V. L. McMahon, do.	500 00
Dec. 4,	" Reverdy Johnson, do.	700 00
" 7,	" Roger B. Taney, do.	700 00

Dec. 8,	Paid	John H. B. Latrobe, do.	700 00
" "	"	Wm. Gwynn, do.	700 00
" 14,	"	Daniel Webster, do.	1,000 00
1832.			
Jan. 4,	"	Wm. H. Marriott, do.	50 00
" "	"	J. H. B. Latrobe, do.	1,200 00
Feb. 8,	"	Reverdy Johnson, fee,	500 00
March 29,	"	F. Pinkney, professional services,	50 00
April 27,	"	Wm. Gwynn, do.	1,250 00
July 7,	"	W. S. Steuart, do.	50 00
Aug. 13,	"	Wm. Steuart, do.	200 00
Oct. 29,	"	J. H. B. Latrobe, do.	750 00
1833.			
Jan. 8,	"	do. do.	250 00
April 1,	"	do. do.	250 00
May 28,	"	J. W. McCulloh, do.	300 00
Sept. 3,	"	Wm. Gwynn, arguing cases of Wright & Simpson,	500 00
" "	"	Reverdy Johnson, do.	500 00
Oct. 22,	"	Wm. H. Marriott, professional services, - - -	300 00
Dec. 12,	"	Reverdy Johnson, retaining fee,	100 00
1834.			
March 4,	"	J. W. McCulloh, professional services, - - -	250 00
June 2,	"	Wm. H. Marriott, do.	300 00
Nov. 1,	"	J. W. McCulloh, do.	300 00
" 6,	"	William Gwynn, do.	300 00
" "	"	Frederick A. Schley, do.	400 00
1835.			
Jan. 14,	"	James Dunlop, do.	580 00
Feb. 12,	"	Wm. H. Marriott, do.	500 00
" 23,	"	Frederick A. Schley, do.	395 00
March 3,	"	Wm. Gwynn, do.	200 00
Aug. 26,	"	Reverdy Johnson, do.	150 00
Dec. 31,	"	J. W. McCulloh, do.	300 00
1836.			
Feb. 29,	"	U. S. Heath, at Washington, do.	500 00
Dec. 7,	"	W. H. Marriott, do.	500 00
			$26,190 14
1838.			
May 9,	"	Reverdy Johnson, fee in the case of Gregory, - -	$250 00
" "	"	do. in the case of Uhler and Gillingham & Winans,	100 00
Nov. 21,	"	Wm. Schley, fee in the case of Stull, - - - -	50 00

1839.		
May 25,	Paid Reverdy Johnson, fee in the case of Knight, - - -	$250 00
Aug. 31,	" Frederick A. Schley, fee, -	372 00
1840.		
Jan. 18,	" Reverdy Johnson, opinion as to small notes, - -	50 00
April 7,	" do. professional services,	250 00
" 16,	" James Dunlop, do.	35 00
Aug. 27,	" Reverdy Johnson, do.	150 00
1841.		
Jan. 13,	" do. opinion as to fires from engines, - -	50 00
Oct. 26,	" do. do. as to City's dividend, - - -	100 00
" "	" do. fee in Washington County case, - -	150 00
1842.		
Sept. 29,	" do. fee in Merrick's case,	250 00
" "	" do. opinion as to State's bonus, - - -	25 00
Nov. 29,	" do. fee in case of Paxton,	250 00
1843.		
Jan. 12,	" Frederick A. Schley, professional services, - - -	200 00
		$2,632 00

Mr. John H. B. Latrobe has been since 1st April 1833, and is the standing counsel of the company, and receives a salary of $1,000 per annum, which includes all fees and compensation of all kinds; and Mr. Reverdy Johnson has been, since 15th October, 1833, and is the retained counsel, at an annual retainer of $100, exclusive of fees for special services.

For conducting suits for condemnation of the right of way west of Harper's Ferry, and for professional services in cases arising against the company west of the same point.

1838.		
May 18,	Paid Charles James Faulkner for an opinion, - - - -	$100 00
July 11,	" John R. Cooke do.	100 00
Dec. 13,	" W. Matthews of Cumberland, fee,	50 00
1839.		
Jan. 15,	" Thomas I. McKaig, do. do.	50 00
Feb. 28,	" E. Hunter, Morgan Co., Va., professional services, - -	200 00

Feb. 28,	Paid A. Hunter, Jefferson Co., Va., professional services, - -	$250 00
" "	" E. Pendleton, do do.	100 00
Sept. 7,	" Thos. I. McKaig, Cumberland, professional services,	1,000 00
Dec. 17,	" E. P. Hunter, Counsel services and printing, - -	400 00
1840.		
Jan. 30,	" Andrew Hunter, fees,	1,000 00
Feb. 8,	" Edmund Pendleton, do.	150 00
May 28,	" A. W. McDonald, do.	112 24
Dec. 12,	" Andrew Hunter, do.	1,000 00
" 14,	" do. do.	750 00
" 17,	" Thomas Carskadden, -	700 00
1841.		
April 6,	" Thomas I. McKaig, fees,	1,000 00
Dec. 22,	" C. J. Faulkner, do.	3,483 65
1842.		
Oct. 18,	" Andrew Hunter, do.	440 79
" 22,	" Edmund Pendleton, do.	155 00
Dec. 8,	" Edmund P. Hunter, do.	132 40
		$11,174 08

Office of the Baltimore and Ohio Rail Road Company, January 23, 1843.

J. I. ATKINSON, *Secretary.*

(D)

STATEMENT,

Statement of the names of the Officers and Agents in the employment of the Baltimore and Ohio Rail Road Company, with the annual salary of said Officers and Agents, &c.

NAMES.	NATURE OF EMPLOYMENT.	SALARY.
	Office Department.	
Louis McLane,	President, . . .	$6,000 00
J. I. Atkinson,	Secretary, . . .	2,000 00
Jno. H. B. Latrobe,	Counsel, . . .	1,000 00
Edward Small,	Book-keeper, . .	700 00
John T. Woodside,	Clerk, . . .	500 00
	Engineer Department.	
Benj. H. Latrobe,	Chief Engineer, . .	3,000 00

STATEMENT,—Continued.

James Murray,	Superintend't of machinery and repairs of road.—On the 7th of Dec. 1842, the board authorised the expenses of this officer, when absent from the city on business of the Company, to be paid, . .	$2,000 00
John A. McKean,	Clerk, . . .	600 00
Roseby Carr,	Supervisor of repairs of road,	720 00
Robert Murray,	Do. do. do.	600 00
Jesse Plummer,	Do. do. do.	540 00
Adolph. Fearhake,	Do. do. do.	540 00
John M. Harman,	Do. do. do.	540 00
Chas. H. Matthews,	Do. do. do.	540 00
Edward Carr,	Do. do. do.	540 00
Solomon Groves,	Do. do. do.	540 00
Wm. D. Burton,	Do. do. do.	540 00
Wm. W. Plummer,	Suprv'r of rep'rs of road, (W.B.)	600 00
Thomas Owens,	Do. do do.	600 00
Thatcher Perkins,	Foreman Machine shop, Mt. Cl.	1,000 00
Joshua Harvey,	Master mechanic, Cumberland,	600 00
Peregrine Biddle,	Master carpenter, Mount Clare,	600 00
William Barnes,	Inspect'r of lumber at City Block, half pay—the other half paid by Transportation Departm't,	270 00
J. W. Barneclo,	Time keeper and weigher of materials at Mount Clare, .	540 00
	Transportation Department.	
Wm. S. Woodside,	Superintendant of transportation on both Main stem and Washington roads.—On the 7th of December, 1842, the board authorised the expenses of this officer, when absent from the city on business of the company, to be paid, . .	2,000 00
David Steiner,	General agent for passengers and tonnage, (Cumberland,) .	1,200 00
Daniel J. Foley,	Do. do. do. (Balt.)	1,000 00
F. Beckham,	Do. do. do. (Harprs. F.)	700 00
Samuel Canby,	Do. do. do. (E. M.	240 00
J. T. England,	Agent for collecting revenue or tonnage, (Baltimore,) .	600 00
Cornelius Slack,	Clerk and disbursing agent in office of superintendent, .	500 00
Robert Maunsell,	Cl'k in tonnage office, P. st. dep.	500 00
N. A. Sheppard,	Do. do. do.	500 00
John Dunlap,	Clerk in tonnage office, Mt. Cl.	500 00

STATEMENT,—Continued.

J. J. Smith,	Clerk in tonnage office, Mount Clare, . . .	$500 00
J. J. Moore,	Clerk in tonnage office, Cumbrl'd,	400 00
J. T. Quynn,	Clerk in tonnage office, Fred'rk,	400 00
G. H. Graves,	Supervisor of cars and of the delivery of produce in Balt.	600 00
Wm. Roberts,	Conductor of pessengers between Baltimore and Cumberland,	700 00
Wm. Owens,	Conductor of passengers between Baltimore and Cumberland,	700 00
Wm. Fairbanks,	Conductor of passengers between Balt. and Ellicott's Mills, .	480 00
Joel Covill,	Way conductor of tonnage between Balt. and Harper's ferry,	480 00
Joseph Wilson,	Way conductor of tonnage between Balt. and Harper's ferry,	480 00
Rodney Houston,	Way conductor of tonnage between Harper's ferry and Cumberland, . . .	480 00
Samuel Duer,	Way conductor of tonnage between Harpers ferry and Cumberland, . . .	480 00
J. B. Miller,	Supervisor of stock, harness, drivers, &c. Baltimore, .	600 00
	Washington Branch.	
Sam'l Stettinius,	General agent, Washington city,	1,000 00
John C. Kneller,	Clerk, Do. do.	420 00
J. W. F. Wilde,	Conductor of passengers, .	700 00
Wm. B. Slack,	Do. do. .	700 00
Edward Ferry,	Do. tonnage, .	540 00
Wm. Barnes,	Agent for procurement of wood for fuel, and for preparing it for the engines, . .	270 00

In the month of July, 1836, a payment for extra services of two thousand dollars was made to Caspar W. Wever, by order of the board, passed on the seventh of that month, as follows:

"*Resolved*, That the sum of two thousand dollars be paid to C. W. Wever in full, of services rendered to him to this company, in superintending the laying of the rails on the Washington Branch road."

Office of the Baltimore and Ohio Rail Road Company,
January 23, 1843.

J. ATKINSON, *Secretary.*

(E.)

Extracts from the minutes of the Board, December 27th, 1836.

Resolved, That the salary of the President be fixed at six thousand dollars per annum, to commence on the 1st of January 1837, payable quarterly.

The Board then on motion, proceeded to ballot, in order to supply the vacancy occasioned by the resignation of Mr. Patterson, and Messrs. Hawkins and Patterson were appointed tellers; when on counting the ballots it was ascertained, that the whole of the votes present had been given to Louis McLane, Esq., who was thereupon declared to be duly elected President of the Baltimore and Ohio Rail Road Company.—On motion,

Resolved, That Messrs. Patterson, Swan and Latrobe, be a committee to proceed to New York, for the purpose of announcing to Mr. McLane his appointment, and communicating with him in relation thereto."

I certify the above to be a true copy,

J. I. ATKINSON, *Secretary.*

(F.)

Extracts from the Minutes of the Board, July 3rd, 1839.

"On the subject of the proper compensation to be allowed the president for his services abroad, he considers himself placed in a position of much delicacy, and prefers that it should, under circumstances, be decided by the boatd of directors. The committee have agreed that the lowest amount offered him should be $8,000 certain, for his expenses and journey, and that in case he shall succeed in disposing of the bonds, he shall be paid the further sum of $8,000, making in the whole about one-half of one per centum on their estimated value, and this to be clear to him of any commissions he may have to allow to foreign bankers or agents, in carrying out the negotiation; and they have further agreed, that no diminution of his salary as president shall be made during his absence. These terms, taking into consideration that Mr. McLane, from his peculiar situation, and which forms one prominent qualification for his task, will be subject to heavy and unavoidable expenses, are considered moderate, and are below what has been received by other gentlemen, charged with similar objects of far less amount; and as this is an extra service from which he may possible derive no pecuniary benefit whatever, the committee have thought it but just that his fund for family expenses, which will be the same, whether at home or abroad, should remain undiminished."

I certify the foregoing to be true copy,

J. I. ATKINSON, *Secretary.*

"On motion, the compensation recommended in the report of the committee was unanimously adopted."

I certify the above to be a true copy,

J. I. ATKINSON, *Secretary.*

[Document O.]

BY THE HOUSE OF DELEGATES,
February, 31st, 1842,
Read and ordered to be printed.

COMMUNICATION

FROM

THE TREASURER OF THE WESTERN SHORE,

In obedience to an Order of the

HOUSE OF DELEGATES OF MARYLAND,

JANUARY 16th, 1843.

WESTERN SHORE TREASURY,
Annapolis, 30th January, 1843.

To the Honorable,
The House of Delegates:

In obedience to their order of the 16th inst. the Treasurer reports the accompanying table—shewing, the amounts of assessable property in—the amounts for direct taxes of 1841 and 1842 paid by—and the gross amounts for the same taxes now due from—each of the counties, Howard district and the city of Baltimore.

He has not included the direct tax for 1843, because it is not only not now due, but has not yet been even levied in any portion of the State—and until it shall have been levied, and the proper returns of the levy made to the Treasury, he has no source of information therein, whence he may properly, even estimate its amount.

He also reports in obedience to the same order, tables from the census of 1840—shewing the produce of agriculture and of mines—the capital employed in commerce—and the value of the manufactures, (so far as he had progressed with this last exhibit, when the order of the 28th inst. relieved him from its further preparation,) in each of the counties, and the said district and city.

He has the honor to be,
Most respectfully their ob'nt ser'vt,
GEORGE MACKUBIN,
TREAS. W. S. MD.

A TABLE

Shewing the amounts paid into the Treasury of Maryland, to 20th January, 1843, inclusive, on account of the Direct Tax for 1841 and 1842—the amounts thereof now due—and the assessable property therein.

COUNTIES.	Amounts paid for direct taxes for 1841, '42.	Amounts due for direct taxes for 1841, '42.	Assessable property.
Allegany,	$5,200 00	11,836 49	4,008,586 00
Anne Arundel,	25,107 21	4,308 03	6,915,014 00
Howard District of A. A.,	7,405 86	9,266 02	3,922,797 00
Baltimore City,	142,129 88	140,183 46	66,426,711 00
Baltimore,	23,265 41	34,816 07	13,666,232 00
Calvert,		12,475 45	2,935,400 14
Caroline,	1,934 50	4,047 92	1,407,628 00
Carroll,	7,985 48	21,387 33	6,911,250 00
Cecil,	5,488 83	16,815 92	5,055,720 00
Charles,	7,677 54	13,695 62	5,472,920 00
Dorchester,	4,896 15	13,233 25	4,265,741 00
Frederick,	38,000 00	42,801 44	19,081,867 46

Harford,	7,622 00	12,947 58	4,839,901 00
Kent,	4,670 00	10,937 66	3,672,391 00
Montgomery,	11,973 54	9,703 16	5,102,070 92
Prince George's	23,776 83	18,192 12	9,875,047 95
Queen Anne's	6,235 74	12,104 40	4,315,327 00
St. Mary's,	6,498 69	12,027 26	4,359,048 00
Somerset,		14,663 84	3,450,315 00
Talbot,	4,175 09	16,196 11	4,759,147 51
Washington,	16,000 00	38,076 83	12,723,959 00
Worcester,		15,232 30	3,584,071 00
	$350,042 75	484,948 44	196,751,144 98

CAPITAL EMPLOYED IN COMMERCE.

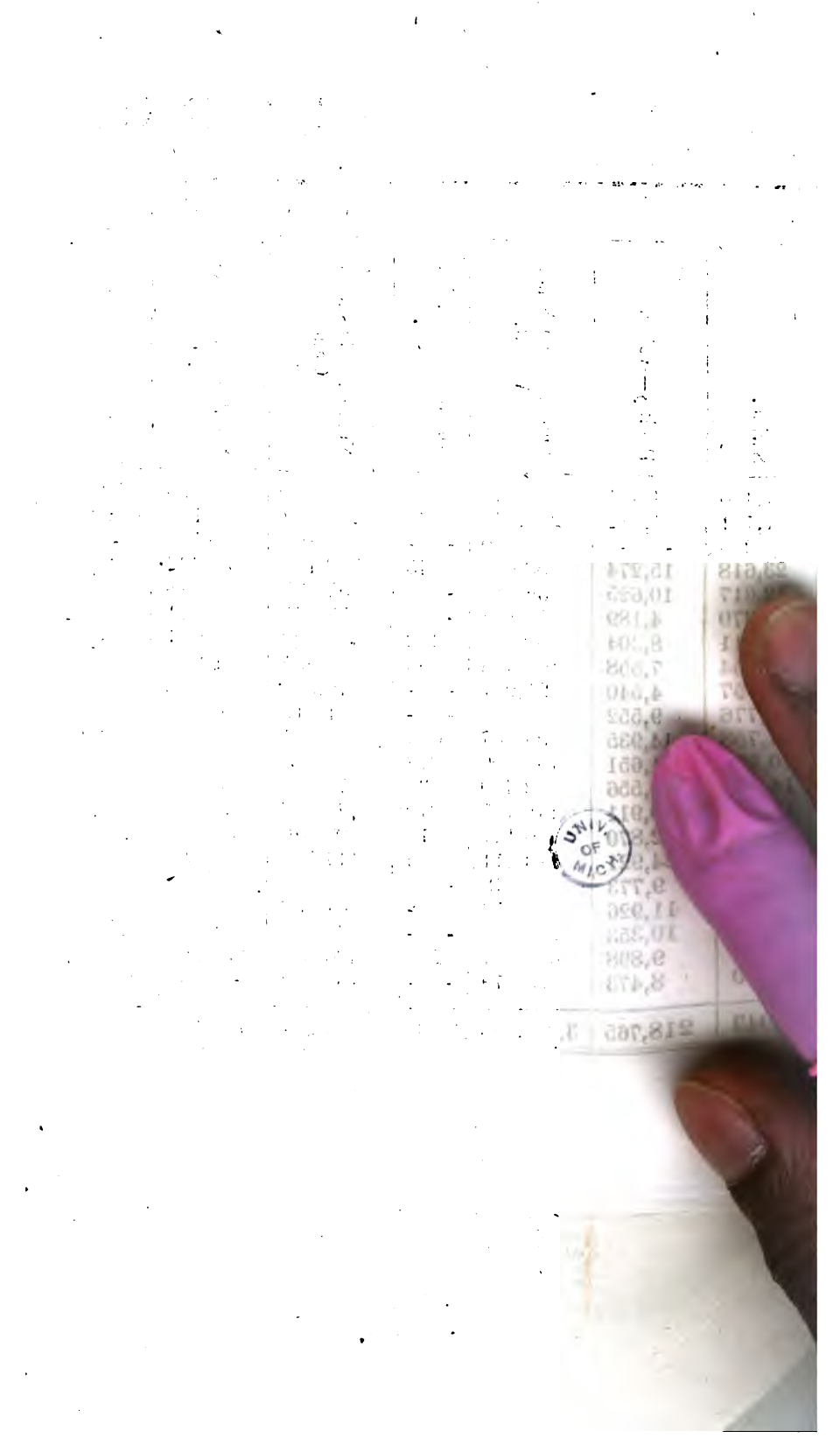
COUNTIES.	Capital invested in Foreign Trade.	Capital invested in Retail Dry Goods, Grocery, and other Stores.	Capital invested in Lumber Yards and Trade.	Capital invested Butchers, Packers, &c.
Allegany,	. .	211,400	. .	
Anne Arundel,	. .	164,365	2,200	250
Baltimore city,	$4,404,500	6,708,611	267,500	17,700
Baltimore county,	. .	86,427	. .	
Calvert,	. .	45,520	. .	
Caroline,	. .	128,550	. .	
Carroll,	. .	95,825	800	7,680
Cecil,	. .	141,675	17,000	
Charles,	. .	44,200	4,000	
Dorchester,	. .	79,695	. .	
Frederick,	. .	339,600	6,800	800
Harford,	1,500	86,780	. .	
Kent,	. .	62,040	. .	450

Montgomery,	. .	99,457	. .	
Prince George's,	. .	81,600	2,000	
Queen Anne's,	. .	10,000	. .	
Somerset,	. .	97,375	30,000	
St. Mary's,	. .	59,650	. .	
Talbot,	4,000	85,550	6,000	
Washington,	4,000	363,250	1,000	2,000
Worcester,	. .	257,600	. .	
	$4,414,000	9,246,170	307,300	28,880

PRODUCE OF MINES.

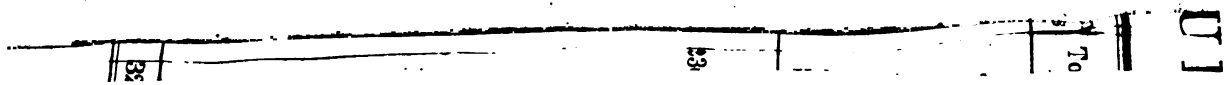
COUNTIES,	Cast Iron. *Tons.*	Bar Iron. *Tons.*	Other Metals. *Value.*	Bituminous Coal. *No. of Bush.*	Domestic Salt. *No. of Bush.*	Granite, Marble and other Stone. *Value.*
Allegany,	500	. .	. .	222,000	. .	. .
Anne Arundel,	3,800	2,600	. .	. .	. .	. .
Baltimore,	. .	3,000	18,300	. .	. .	$12,200
Cecil,	. .	950	. .	. .	. .	8,050
Frederick,	800	. .	10,500	. .	. .	1,000
Harford,	2,300	380	. .	. .	. .	1,500
Washington,	1,476	970	. .	. .	. .	. .
Worcester,	. .	. .	. .	. .	1,200	. .
	8,876	7,900	38,800	222,000	1,200	22,750

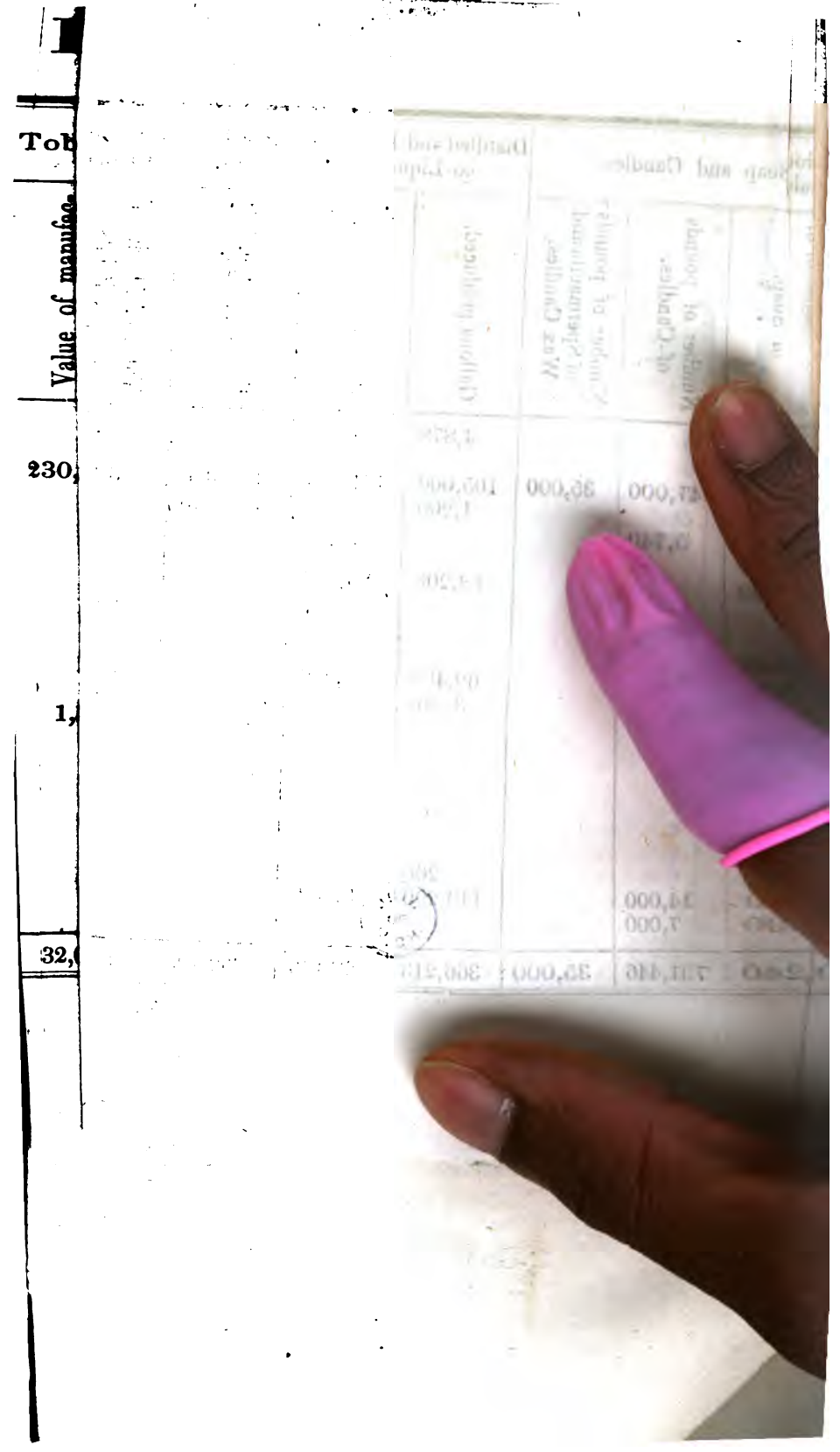
Baltimore city, Calvert county, Caroline, Carroll, Charles, Dorchester, Kent, Montgomery, Prince George's, Queen Anne's, Somerset, St. Mary's, and Talbot, according to returns have no mineral products.



Allegany,
Anne Arur
Baltimore,
Cecil,
Frederick,
Harford,
Washingto
Worcester,

Baltin
Queen An





Allegany,
Anne Arur
Baltimore,
Cecil,
Frederick,
Harford,
Washingto
Worcester,

Baltin
Queen An

[Document P.]

BY THE HOUSE OF DELEGATES,
February 1st, 1843.

Read and ordered to be printed.

REPORT

OF THE

COMMITTEE ON WAYS AND MEANS,

COVERING A

COMMUNICATION

WITH

Messrs. Baring of London, and T. W. Ward of Boston,

IN RELATION TO THE

CHESAPEAKE AND OHIO CANAL COMPANY.

CORRESPONDENCE.

BOSTON, *January 26th*, 1843.

The Honorable JOHN J. GRAVES,

Chairman Com. Ways and Means, Ho. Del.—Annapolis:

SIR,—I had the honor to address you on the 21st instant, and having since noticed in the public prints, that a recent correspondence between the Messrs. Baring and the canal company was before the Legislature, I addressed a letter on the 24th instant to General McNeal, the president of the company, on the subject of that correspondence to be communicated to the Legislature. I yesterday received a letter from Messrs. Baring to the canal company, dated the 3rd instant, which, as it embraces subjects interesting to the company and the State, it has appeared to me should also be laid before the Legislature.

As there might be some delay in the case of the absence of the officers of the canal company, in the letters being received at Annapolis, and as various matters in which Messrs. Baring are interested, appear to be pending before the House of Delegates, I have thought best to send to you, sir, copies of these letters, for the purpose of their being communicated to the Legislature; which I herewith enclose, and if I have made a mistake in forwarding them to you, I pray you to excuse it, and to place them in the proper hands for the above purpose.

I have the honor to be, sir, very respectfully,

Your most ob't. and humble serv't.,

T. W. WARD, *Attorney.*

SIR,—We addressed on 3rd December last, through the medium of our agent, Mr. T. W. Ward of Boston, a letter to Mr. Turner, which has doubtless come before you, which in conveying to him our accounts of last year with the Chesapeake and Ohio Canal Company, explained our intention, (if no satisfactory arrangement was made before the end of February next here for settling the balance due to us,) of proceeding to the sale of the stock in our hands, in order to diminish the amount to the debit of the company. In confirming to you, sir, the contents of this letter, we have the honor to acknowledge receipt of your communication of 3rd November last, accompanied by a letter from Mr. Turner, and the fourteenth annual report of your company. In answer to your inquiry, "whether the amount required to complete the canal "to Cumberland, on the bonds constituting the first class of liens "thereon provided for, in case the bill submitted to the Legisla- "ture of Maryland last session (excluding the security proposed "in the sixth section,) should be passed into a law could be raised "in London," we regret to be constrained to say, that under existing circumstances it would be hopeless to attempt a loan of the nature described.

The financial statement of the concerns of the company contained in the report, although unfavourable enough, is yet brighter

M. C. SPRIGG, ESQ.,

President of the Ches. and Ohio Canal Co., &c., &c.

FREDERICK CITY, MARYLAND.

than the case justifies, for we observe that you calculate the value of the bonds with us at 72 per cent., whilst their price is here 50 per cent, without buyers, and you enter into account the last July, dividend on those bonds as received by us, when as you are aware the State has not paid the same, so that instead of having a surplus to receive from us, we shall have a very considerable claim against the company after realizing the bonds.

We are fully aware of the importance of the completion of the canal to Cumberland, and feel too lively an interest both as agents here of your company and of the State, not to be most anxious to do all in our power to advance the public works and the prosperity of Maryland; but it would only be leading you into error, if we held out any prospect of obtaining the sum you require, until the credit of Maryland has been re-established, and the finances placed on a regular and solid basis; and we may add, that the section to which you allude, giving to your new proposed loan priority of claim upon the proceeds of the public lands, would not facilitate here the attainment of your object, because it would be considered a breach of faith upon the part of the State, to give any preference to one company, or to a new debt over existing engagements, and would thus mar instead of advancing any future financial operation, in which Maryland or its inhabitants should be concerned. The non-payment of the dividends of the

State, distressing as it is for all parties, is indeed doubly disastrous for the prospects of your company, for whilst the course pursued depreciates so much the value of your property in our hands, it prevents at the same time all possibility of raising the funds you require, on account of the distrust created of every thing connected with the public works of Maryland. Had the Legislature promptly met the existing emergency, by effectually providing the means to pay regularly the interest on the existing debt, neither you nor we need have despaired of finding the required sum to complete the canal, for as a proof we may instance the fact, that notwithstanding the general discredit into which the securities of the United States have fallen, £100,000 of Massachusetts 5 per cent. stock has lately been realized for the State public works at 87 per cent. on your side, and that here occasional sales of that stock, and of the bonds of South Carolina for re-building Charleston, are made at the same price, and with the resources of Maryland; its intelligent and enlightened population we cannot but hope, that a wise and energetic policy of your State Government will gradually place its credit on a level with the most esteemed securities, and render the negotiation of which we are now treating, not as at present impracticable, but a matter of comparative facility. Your State will then find as all government and nations find, that credit is wealth, that apart from the solemn nature of existing obligations, the maintenance of public faith will be the best and promptest means for the completion of the public works, and that however onerous may be the present payment of taxes for the due requital of State obligations, it is to that politic as well as honest measure, that the inhabitants of Maryland may fairly look for a relief from taxation, by restoring the credit of the State by raising the required amount for the completion of your canal, and by thus adding largely to the regalar income of the government.

We have the honor to be,

Most respectfully sir, your ob't. serv'ts.,

(Signed,) BARING, BROTHERS & Co.

London, 3rd Jan. 1843.

BOSTON, *January 24th*, 1843.

W. GIBBS MCNEAL, ESQ.,

President of the Ches. and Ohio Canal Co.,

FREDERICK, MARYLAND.

DEAR SIR,—I duly received through Thomas Turner, esquire, the clerk of your company, the report of the directors addressed to Messrs. Baring, Brothers & Co., dated on the 12th instant, in reply to the letter of the latter of the 3rd ultimo, and forwarded it to them. You will doubtless in due course receive their reply, and I should not deem it necessary to trouble you with any communi-

cation, had I not perceived that the correspondence has been laid before the Maryland Legislature, and made the subject of consideration by that body. Under these circumstances it appears to me due to them, as well as Messrs. Baring, that I should communicate to you, for the information of the Legislature, the view which occurs to me of the question presented by this correspondence.

It appears from the report of the directors, that Messrs. Baring became the sole agents of the Chesapeake and Ohio Canal Company, for the sale of the Maryland bonds issued to that company, under an agreement entered into with Mr. George Peabody, on the 27th November 1839—they having been previously large purchasers of the said bonds from Mr. Peabody, the former agent of the canal campany. The terms of this agreement are known to me, only from the extracts from it given in the above mentioned report. The object of the arrangement, appears to have been to provide for the benefit of all parties concerned in the bonds, a single agency, which should protect them against depression by forced sales, of such as were hypothecated to sundry institutions in the United States. The terms of this agreement are stated in part, in the letter of Messrs. Baring to Mr. Peabody, of November 27, and acceded to in the reply of the latter of the same date; and further in their letter to Mr. Peabody of December 6, 1839, which agreements were received, and confirmed by a resolution of the President and Directors of the Chesapeake and Ohio Campany, passed January 8, 1840. The principal conditions of the agreement are stated in both the letters above named, viz: in the 1st. Messrs. Baring agree that they will meet all engagements for the Chesapeake and Ohio Canal Company, not exceeding £200,000. "*Such advances to be repaid by sales of the stocks at our discretion*, (advising you, however, before making any large sales.") In the second letter, they engage with Mr. Peabody to provide for his acceptances on the consignment of the bonds at the rate of 65 per cent. on the delivery of the bonds, to an amount not exceeding £200,000, and not more than £30,000 per month; and in this letter it is added, "although *we must reserve to ourselves the right of covering our cash advances by sales*, yet our own interests are so closely identified with those of the company, and our wish is so sincere to meet its views, that *you may rely on our not uselessly sacrificing its stock*, and we shall consult with you as to prices, and *are willing to admit what is consigned to us in pro-rata proportions, with what we hold for our own account, in our gradual sales.*"

The amount of this manifestly is, *an express right of covering their cash advances by sales of the bonds*, with no other qualification than that of not uselessly sacrificing them. As a further assurance that they would not be so sacrificed, by forced sales, less advantageous than those which should be made in the course of the casual demand for the stock, they admit the canal company to the benefit of sharing with themselves *pro rata* in all the sales which they should make of their own stocks, of which at the time

of this proposition, they probably held a considerable amount, and which they were desirous of selling.

This last proposition was made by Messrs. Baring, as above stated Dec. 6th, 1839. It was received and confirmed, as appears from the report of the directors, January 8th, 1840, and was communicated through Mr. Peabody by letter from the president of the company, dated January 24th, 1840. The date when this confirmation was received by Messrs. Baring does not appear from the report, but my letters from them of March and April 1840, state distinctly that the stock which they had purchased of Mr. Peabody was all re-sold, and that they held only the £133,000 received from Mr. Peabody, on which they had agreed to advance gradually 65 per cent. as the wants of the company might require.

At the time therefore of receiving the said bonds for account of the canal company, and of making the advances thereon, Messrs. Baring held no bonds of the State of Maryland on their own account, so that the canal company, instead of being admitted to share *pro rata* in the benefit of their gradual sales, would be entitled to the benefit of all such sales, had any been made. It is true that they subsequently in 1841, became interested in a purchase made in Baltimore, but these bonds have not been sold, and of course have not interfered in any way with any sales which would have been made on acconnt of the canal company.

From about the time when the bonds amounting to £133,000, were received by Messrs. Baring, and when their advances were made thereon, the demand for such stocks in London ceased, from causes which it is not necessary for me to advert to, and no sales of them have been made. Messrs. Baring although justly authorised by the terms of their agreement to cover their advances by sales, have with their usual liberality forborne for a period of two years and upwards to exercise that right, for reasons stated in their letter of the 3rd ultimo. They are now desirous of an adjustment of their account, and have named the terms on which they are willing to take the bonds in payment. Those terms not being acceded to, their right appears to be perfect, to make sales to reimburse themselves, according to the terms of the original agreement.

The ground taken by your company is, that under these circumstances Messrs. Baring have no right under this agreement to sell the bonds for this purpose, and that they are not at liberty to sell "except for the same price that they make sales of similar bonds, held on their own account." And in another passage the directors say to Messrs. Baring, "you reserved to yourselves the right to cover your cash advances by sales, but to secure the company against the sacrifice of its bonds *you were not to sell them except when you sold your own*, and in pro rata proportions, at the same time at which yours were sold."

It is here assumed that Messrs. Baring were not to sell unless they sold their own. You will find on reference to the agreement, that *there is no engagement not to sell*, but merely an engagement, that of what they should sell, the canal company should be admit-

ted to the benefit of such sales, as I have before endeavored to explain the purport of that stipulation.

If I am correct in this view of the contract, in which I cannot doubt you will agree with me, their right remains perfect to make sales of the bonds on the most advantageous terms which can be obtained, unless some arrangement be made with you for a different adjustment.

In coming to these conclusions, the correctness of which I think cannot be questioned, you will observe I have not adverted to the fact of the failure of the State and company to perform a vital part of their engagement, that of paying the interest on the bonds; which *alone would fully justify* Messrs. Baring, in pursuing any course to indemnify themselves for their advances, not involving an unnecessary sacrifice of the interests of the State or the company.

I cannot doubt that you will perceive with me, in this, and all the transactions of Messrs. Baring, not only with the canal company, but with the State of Maryland, and with the Baltimore and Ohio Rail Road Company, the same high, right, and honorable purpose and conduct, which have always, in all cases, distinguished and characterisd the house of Baring. They have paid out their money to support the credit of the State of which they were the agents, and in which they felt their reputation deeply concerned, from having been instrumental in negotiating its bonds. They have trusted liberally to the engagements of the Baltimore and Ohio Rail Road Company, and furnished the means to complete their road to Cumberland. They have waited years for the repayment of their advance to the canal company, and proposed terms of settlement, every way liberal towards the company.

I notice with great satisfaction, the opinion of the directors, that Maryland will take efficient means, during the present session, to restore her credit; but am sorry to observe that among those means is stated the payment of the taxes in coupons and interest warrants—a measure which, by depriving the treasury of its means of paying the interest, must, as it seems to me, depress the stock, and operate most injuriously on the credit of the State.

I notice also, appended to the report of the directors, an enquiry of Messrs. Baring, if the means can be furnished to complete the Chesapeake and Ohio Canal; on this and on the whole subject of the report of the directors, Messrs. Baring will no doubt address you.

The object of this communication is simply to place, in what seems to me the true light, the position of Messrs. Baring, in regard to the company over which you preside, for the information of the Legislature and all concerned.

I have the honor to be, sir,
Your most obedient
And humble serv't,
T. W. WARD, *Attorney.*

[Document Q.]

BY THE HOUSE OF DELEGATES,
February 2nd, 1843.

Read and ordered to be printed.

REPORT

OF THE

SELECT COMMITTEE

Appointed to investigate the affairs of the

Farmers and Millers Bank of Hagerstown.

ANNAPOLIS:
GEO. & WM. JOHNSTON, PRINTERS.
.....
1843.

REPORT.

The select committee appointed by the House of Delegates on the 13th ultimo, to examine into the condition of the Farmers and Millers Bank of Hagerstown, beg leave to report:

That in pursuance of the direction of the order of the House of Delegates, they proceeded to Hagerstown, and there summoned before them such of the late officers of the bank and other persons as they deemed necessary, who were supposed to be able to testify to *facts*, which would enable the committee to understand the present condition of the bank, and the history of its origin and management. The testimony of these witnesses is now presented to the House, so that it may be able to judge of the correctness of the conclusions to which the committee have arrived.

The act incorporating the Farmers and Millers bank of Hagerstown, was passed at December session, 1835. The capital stock authorised by the second section of the act of incorporation is three hundred thousand dollars; and by the 10th article of the 13th section, it is provided that "until the sum of *seventy-five thousand dollars in gold and silver coin*, shall be in the *possession* of the president and directors of said bank, as part of its capital stock, and the same shall have been certified to the Treasurer of the Western Shore of Maryland, by such persons as he shall appoint to ascertain and report *sach facts*," that is, the fact of the bank being in the *actual possession of seventy-five thousand dollars in gold and silver coin, as part of its capital stock*, "it shall not be lawful for the said president and directors to issue any note of said corporation, &c."

In pursuance of this part of the charter, the Treasurer of the Western Shore, on the 18th day of August, 1840, appointed George R. Beall, George Kealhoffer and Otho H. Williams, of Hagerstown, to ascertain and report to him "*if seventy-five thousand dollars in gold and silver coin, be in possession of the president and directors of the said bank, as part of its capital stock.*" On the 26th day of the same month, these commissioners reported to the Treasurer of the Western Shore, "that seventy-five thousand dollars, in *gold* and *silver coin*, have been paid to, and are in possession of the president and directors of the Farmers and Millers Bank of Hagerstown, as part of its capital stock." On the statement of this report of the commissioners, the Treasurer

gave the necessary certificate, and the bank went into operation. An examination of the testimony will show beyond all question, that the Treasurer was deceived as to the true condition of the bank, by this unfounded report of the commissioners; but no blame is attached to the Treasurer, however, for he did but his duty; and your committee are assured that had he had knowledge of the true state of the case, that he never would have recognized the legal existence of the bank. Gen. O. H. Williams, one of the commissioners, in his testimony, before the committee acknowledges that at the time he signed the certificate, that there was not seventy-five thousand dollars in *gold* and *silver* coin in the possession of the president and directors. He says "there were placed in the hands of the commissioners, two specie certificates of deposite, amounting to about sixty thousand dollars—the balance of the seventy-five thousand dollars, necessary for the bank to hold before going into operation, was counted in specie, *in the bank*. He hesitated about the certificates as representing specie, but upon advisement and consultation with legal gentlemen we agreed to count the certificates as such, and so certified the amount to the Treasurer." "I presume," continues General Williams, "the bank did not realize the specie for the certificates; as I understand they were cancelled by Weed, who gave a draft on some institution in New York."

From this statement of Gen. Williams, it is apparent that the bank was never legally organised, as contemplated by the charter, and that he, although a public officer of the State, connected intimately with the due execution of the laws, as clerk of Washington county court, aided in the fraud, which was practised to get the bank into operation. The committee think that his, as also the conduct of his associates, G. R. Beall and G. Kealhoffer, in this particular transaction, demands the severest condemnation.

To the mind of your committee they have no excuse or palliation for their participation in the fraud, and they are equally clear, that the due execution of the laws, as well as public morals require that they should not go unpunished. The honorable post which one of these commissioners holds in an office of the State, presupposes him to have been sufficiently intelligent to have faithfully performed his duty in the execution of this commission, and the security of the public demands, that an example should be made of him and his associates. If the agents of the Treasurer of the State, the object of whose appointment is, to ensure that the will of the Legislature shall be faithfully carried out, be allowed with impunity, fraudulently to impose upon the Treasurer, and as a consequence, upon the State, there will be no safety for the public treasure, or certainty of the honest execution of the laws. The committee submit the matter to the determination of the House, who will doubtless take such action as the public interest may require.

It appears that in pursuance of this report of the commissioners, the bank went into operation on the 10th day of September, 1840,

and that in the following month of October, the Millington Bank, one of the institutions which had issued one of the certificates, purporting to represent so much specie, *failed*, causing great loss and suffering to all who had trusted in its solvency or its credit.—By the testimony, it will also appear that William Weed, who was the principal agent in putting in motion the Farmers and Millers bank, was the president of the famous Millington institution, the failure of which caused the most wide spread ruin and distress, and that he forwarded to the bank in Hagerstown, locks and other articles of furniture to enable it to go into operation. It must be apparent to every one that the Farmers and Millers Bank, was in its creation the mere offspring of the Millington concern, and that it was forced into existence by the most base and fraudulent pretences—and that it has maintained an existence by the extraordinary exertions and ingenuity of J. T. Guthrie, who now stands indicted in Washington county court, for embezzelment of the funds of the bank. It is unnecessary however for the committee to say one word about Guthrie, the testimony of witnesses of undoubted and unimpeachable integrity, fully prove his utter destitution of character; yet notwithstanding his numerous derelictions of duty and want of integrity, we find him the master spirit in the bank, managing, indeed, its whole machinery. It is a deep reflection upon the honor of the State that such men as Guthrie and the Messrs. Weed, should be permitted to control the affairs of any of her incorporated institutions. It will be observed that the committee, as an act of comity to the bank, permitted Guthrie to appear before them as a witness. By his statement, it will be seen that he contradicts several witnesses. It is due to the several gentlemen whose integrity he impugns, to say that the committee make some allowance for Mr. Guthrie, and that they place in their testimony the most implicit faith and credence.

It must be manifest to every one that Weed was fully aware of the near approach of the failure of the Millington bank, and availed himself of its then existence, to have issued the certificate mentioned in General Williams' testimony, to enable him, with the assistance of others of similar morals, to put in operation, in another part of the State, another institution, which would enable them to plunder the people in its neighborhood, as they had robbed those in the vicinity of Millington. By the device of these certificates, the bank was put in operation, and as the testimony fully discloses, continued to carry on business by all kinds of tricks and mal-practices.

It appears from the testimony of William V. Heard, formerly teller of the bank, that the return made to the Treasurer in January, 1842, was made upon the faith of certain specie and notes, amounting to upwards of thirteen thousand dollars, placed by A. J. Jones, of Harrisburg, Pennsylvania, in the Farmers and Millers Bank of Hagerstown, which monies (i. e. specie and notes,) ***were removed the same evening after the statement was made out.***

The money was handed over to Mr. Jones, after the proper entries had been made by the order and direction of General Eyster, the cashier!!

Andrew Kershner, Esquire, late president of the bank, fully corroborates Mr. Heard's statement, in reference to the imposition practiced on the Treasurer, with regard to the amount of specie in the bank in January, 1842, and shows that as soon as the statement for the Treasurer was made out, that Eyster paid or returned to Mr. Jones the specie and paper money which had been placed in the bank a short time previously.

Mr. George Fechtig, a highly respectable gentleman, and of undoubted integrity, also establishes this fraudulent transaction.

It will be seen by the statement of Mr. Thomas N. Davis, that Guthrie informed him, in the year 1841, that "*his* bank, the Farmers and Millers Bank, was doing well, but when the Millington Bank had failed, the money came in on them very rapidly, but all was now over, and the prospect was good, and he had another bank charter in view, and wanted to put her in operation as soon as possible; and solicited me (him) to join him (Guthrie.) This was a Virginia bank, chartered at Kanahway, a salt manufactory, and said his object was to keep the Farmers and Millers Bank good, and that *this*, and it only wanted some little specie, and the rest would be the Farmers and Millers Bank money, which would do to start with, and when she got rightly under way, *she could be broke*, and it was *away from home.*" &c.

This statement of Davis is sustained by a letter from Guthrie to him, dated 11th August, 1841. The same witness, as do others, testify to facts, showing that it was the purpose and design of the principal agents of the bank to perpetrate a most stupendous fraud upon all who should be credulous enough to trust them.

From an examination made by your committee into the condition of the bank on the 18th instant, there was the following amount of specie, viz:

Gold,		$700 00
Silver,		700 00
Change box,		130 00
Copper, (by estimate)		195 50
Making in all,		$1,725 50
Their liabilities for notes in circulation the same day was,	$8,839 00	
Their certificates of, and deposit,	5,464 54	
		$14,303 54
All of which was by the charter payable in specie on demand, showing a deficiency of specie means by		$12,578 04
But there was also shown to your committee notes of specie paying banks, amounting to		$285 00

Which, if deducted from the above, leaves unprovided for, of circulation and deposits, - - - $12,283 04

It is true there were other assets exhibited to your committee, but they were of so doubtful and unsatisfactory a character, consisting in part of relief notes of Pennsylvania, over due notes not protested, some deeds of unpatented and undivided lands, (all in dispute) estimated by the bank at a value far beyond any price the committee could be induced to place upon them, as also some stocks of unfinished, unproductive and unsaleable rail road and mining companies in Pennsylvania. But your committee regarding it as exceedingly doubtful whether *any thing can be*, without much litigation, realised from the same, do not deem them sufficiently valuable to be regarded in estimating the ability of the bank to meet its liabilities—but for a more detailed statement of the condition of the bank, we refer you to the journal of the proceedings of the committee, which accompanies this report. It appears from the testimony of Mr. Herd, the teller, that the bank was frequently sustained by borrowing money from private individuals, and that at one time there was but *four dollars* in bankable funds in the institution, and no specie except some boxes of cents.

The committee do not deem it necessary to dwell longer on the testmony, as it will speak for itself, and show conclusively, as they believe, that the Farmers and Millers Bank of Hagerstown, is now, and always has been a fraudulent device to plunder the unwary and confiding portion of the community, and they are therefore of opinion that the charter should be forfeited.

It is clear to the committee, that the bank was never legally organized, and that it proceeded to transact business upon the deceptive statements of the commissioners, appointed by the Treasurer, to count the specie in the possession of the president and directors; and the committee, therefore, recommend that the officers of the bank be enjoined, by a writ of injunction, to be issued from the High Court of Chancery, from transacting any business until such time as the question shall be decided, whether the charter of said bank has not been forfeited. To this end, they submit the following resolutions:

All which is respectfully submitted,

J. M. BUCHANAN, *Chairman.*
J. S. OWENS,
J. H. GROVE.

The undersigned could not join the majoirity of the committee, in making a personal examination into the condition of the bank, in consequence of other official engagements. They have, however, examined the proceedings of the committee, and the testimony which they have submitted with their report, and they concur in the opinion thal some proceedings should be instituted for the purpose of declaring the charter forfeited.

P. W. CRAIN.
WM. H. TUCK.

RESOLUTIONS

In relation to the Farmers and Millers Bank of Hagerstown.

Resolved by the General Assembly of Maryland, That the Attorney General of the State, with as little delay as possible, be, and he is hereby directed and required, to apply to the Chancellor for a writ of injunction, to be issued to the President and Directors of the Farmers and Millers Bank of Hagerstown, enjoining and commanding them to suspend all further operations, until such time as it shall be determined, whether or no, the charter of said bank has been forfeited for *misuser*.

And be it further Resolved, That the said Attorney General be, and he is hereby directed to apply to the court of Washington county, for a writ of *scierifacias*, to be directed to the president and directors of said bank, commanding them, on a day therein to be named, to be and appear before said county court, to show cause, if any they have, why the charter of said bank shall not be forfeited for *misuser;* and the said Attorney General, is hereby also directed and required to make application to the Chancellor, for the appointment of a receiver to take charge of the funds of said bank, for the benefit of its creditors, until such time as the question shall be decided, as to the forfeiture of it charter; and the said Attorney General is further directed to cause all such further proceedings to be had in the premises, as in his judgment, may be necessary to secure the proper apportionment of the funds of said bank.

Resolved, That the Governor be, and he is hereby requested to furnish a printed copy of these resolutions, and of the testimony taken by the special committee of the House of Delegates, appointed to examine into the affairs of the said bank, to the Attorney General.

APPENDIX.

WESTERN SHORE TREASURY,
Annapolis, 18th August, 1840.

In pursuance of the 10th article of the 13th section of chapter 318, of the acts of the General Assembly of Maryland, of December session 1835, entitled, "an act to incorporate the Farmers and Millers Bank of Hagerstown," George R. Beall, George Kealhofer and Otho H. Williams, Esqrs., of Hagerstown, are hereby appointed to ascertain and report to me "if seventy-five thousand dollars in gold and silver coin, be in the possessions of the president and directors of the said bank, as part of its capital stock.

GEORGE MACKUBIN,
Treasurer W. S. Md.

HAGERSTOWN, *Washington county, Md.*

We the undersigned, having been appointed by George Mackubin, Esq., Treasurer of the Western Shore of Maryland, in pursuance of the 10th article of the 13th section of chapter 318, of the acts of the General Assembly of Maryland, of December session 1835, entitled, "an act to incorporate the Farmers and Millers Bank of Hagerstown," to ascertain and report to him if *seventy-five thousand dollars* in gold and silver coin be in the possessions of the president and directors of the said bank, as part of its capital stock," do hereby certify, to the Treasurer of the Western Shore of the State of Maryland, that *seventy-five thousand dollars*, in gold and silver coin, have been paid to, and are in possession of the President and Directors of the Farmers and Millers Bank of Hagestown, as part of it capital stock.

In testimony whereof, we have hereto set our hands, and affixed our seals, this 26th day of August, 1840.

GEORGE ROSS BEALL, [SEAL.]
GEO. KEALHOFER, [SEAL.]
O. H. WILLIAMS, [SEAL.]

Witness—JONA. HAGER.

True copy of papers on file in the W. S. Treasury.

GEORGE MACKUBIN,
Treasurer W. S. Md.

January 30th, 1843.

By the House of Delegates,
January 13th, 1843.

Ordered, That the select committee heretofore appointed by this House, to examine into the condition of the Farmers and Millers Bank of Washington county, be, and they are hereby authorised and directed to proceed to Hagerstown, and then and there make a careful and thorough investigation into the concerns of the said Farmers and Millers Bank of Washington county; and that the said committee have power to send for persons and papers, and examine all such persons as they may deem necessary and proper, on oath, and that the said committee report the result of their investigation to this House, at as early a day as practicable.

By order,
JOHN NICK. WATKINS, *Clerk.*

I hereby certify that the select committee mention in the aforegoing order, consist of Messrs. Buchanon, Grove, Owens, Tuck and Crain, and that full credit and respect are to be paid to all their acts, in and about the business mentioned in the said order.

In testimony whereof, I hereto set my hand, this thirteenth day of January, eighteen hundred and forty-three.

JOHN NICK. WATKINS,
Clerk House Del. Md.

TESTIMONY.

General O. H. WILLIAMS appeared before the committee, was sworn and deposed as follows:—In connection with Messrs. Beall and Kealhofer, was one of the commissioners to report the amount of specie in the bank, to the Treasurer of the Western Shore.—There were some stockholdes in the county, several out of the county; William H. Weed was a large stockholder; there were placed in the hands of the commissioners, two specie certificates of deposit, amounting to about $60,000, the balance of the $75,000 necessary for the bank to hold before going into operation, was counted in specie in the bank. We hesitated about the certificates as representing specie, but upon advisement, we agreed to count the certificate as such, and so certified the amount to the Treasurer. I presume the bank did not realize the specie for the certificates, as I understand they were cancelled by Weed, who gave a draft on some institution in New York, for which the bank ultimately realized a mortgage on some property in Pennsylvania; the mortgage was given by Guthrie and other persons. At the time the commissioners agreed to receive the certificates above mentioned, as specie, the banks they were on, were in good credit, and redeeming their issues, as appeared by Bicknell's Counterfeit Detector of 1840; part of the $15,000 in specie in the vaults of the Bank, according to my impression, was furnished by

Mr. Weed; Mr. Guthrie, at the time, was cashier; Mr. Weed sent various fixtures, such as locks, doors, &c., to get the bank into operation. I ceased to be a director on the first Monday of May, 1841; there were very few discounts made while I was a director; have no knowledge of Weed's receiving any discounts at the Farmers and Millers Bank of Hagerstown; the bank sustained no losses by embezzlement or defalcation, during the time I was a director, to my knowledge; I am the clerk of Washington county court; Mr. Guthrie was presented by the Grand Jury of Washington county, on the testimony of Andrew Kershner, late president, General Eyester and William V. Heard, late cashiers of the Farmers and Millers Bank of Hagerstown, at the November court of said county, in the year 1841, for embezzlement of the funds of the bank.

WILLIAM V. HEARD appeared before the committee, was sworn and deposed as follows:—I acted as clerk at the solicitation of Guthrie in March 1841; was elected as teller the May following, and continued as such till elected cashier, in May 1842; resigned on 12th October following. Whilst teller, Guthrie transferred stock without the approbation of the board of directors, to a large amount, to Andrew I. Jones or John Snively; Guthrie held a power of attorney from the Weeds and Sherwood, and under that power of attorney the transfer was made; this act was subsequently recognized by the board; regarded Guthrie as exercising a controling influence over the business operations of the bank, in selling stock without the assent of the board, and in taking security for it; the two Weeds and Sherwood were very large stockholders, holding by far the largest part of the stock; but a few shares were held by any other individuals.

Before I left the bank the whole stock held by the Weeds and Sherwood was transferred to other persons; the greater part, if not all, was transferred by Guthrie.

The return made to the Treasurer in January, 1842, was made upon the faith of certain specie checks and notes, amounting to upwards of $13,000, placed by A. J. Jones, of Harrisburgh, in the Farmers and Millers Bank of Hagerstown, which monies were removed the same evening after the statement was made out. The money was handed over to Mr. Jones after the proper entries had been made by the order and direction of General Eyster. The president, Mr. Kershner, was deceived in regard to the entire transaction, or else he would not have signed the statement. I acted as teller upon the resignation of Mr. Guthrie; and about the time that General Eyster was to enter upon the duties of cashier in counting up the issues of the bank.

The president observed to me that after all proper credits had been given, there was a deficiency of $2,500. I regarded the $2,500 always as a loss to the bank. I did not count the money myself—the directors did so. There were many transactions done by Guthrie whilst cashier, unknown to the board of directors, and which the board, on the same being known to them, disapproved

of. The board considered themselves as having been deceived in Guthrie.

Guthrie in general, transacted his business in a private room. The stock certificates held by the bank was received by the cashier of Guthrie in payment of certain stock of the bank, without the knowledge or authority of the directors. Guthrie was censured for the transaction.

The deeds for certain real estate held by the bank were taken in payment of stock of the bank by Guthrie without the knowledge or authority of the board of directors., Guthrie stated to the president that his object in doing so was to keep improper persons having controul of the bank; the bank did not discount much regular paper. The largest debtors to the bank were Jones and Guyer, to the amount of almost $42,000, which retired Mr. Guthrie's stock note for about $50,000; most of the business of the bank was exchange. I have reason to believe that notes of the bank were placed in the hands of Mr. Davis of Washington city for circulation. The real estate held by the bank was valued by General Eyester at one-third of its nominal amount. I was one of the individuals that presented Mr. Guthrie to the grand jury of Washington county for embezzlement. Gutherie had given several certificates of deposite in the Farmers and Millers Bank of Hagerstown to different individuals, which were presented afterwards to the bank for payment, and were refused, the bank having no available funds to meet the same; and denying the authority of Guthrie to issue the same.

Mr. Heard recalled. Question—Why did you leave the bank? Short time before I resigned, Mr. Pollard asked me if I would have any objection to resign; Pollard stated that the bank was in that condition, that he saw no prospect of its getting out without my doing so. That Mr. Clarkson would put in $4,000 in specie, and that he would be willing to allow me my entire year's salary. There had been some checks given by Guthrie to Mr. Harley; they were then due; Mr. Abbott was sent up to collect them. Mr. Pollard said unless the checks were paid they could close the bank in forty days, and that was the reason he wished my resignation, as Clarkson would come in as cashier, and his money would aid in paying the checks. They were part of the checks which Guthrie had marked good, and which the old board had refused to pay. There was a deposite made the day I left by Mr. Pollard of $500 of their own issue, and several hundred dollars of the Bank of Metropolis, Washington, and other money. I do not know whether Mr. Clarkson ever paid into the bauk the money, as I had no communication with him.

Mr. Heard being recalled. On certain checks being exhibited to him by Mr. Pollard, the present president of the bank, he Heard testified that certain of these checks, amounting to $4,085, and which checks had been marked good by Guthrie after his resignation as cashier of said bank, and rejected by the then board of directors, and a part of the identical checks referred to in his evi-

dence when last before the committee; also, that certain certificates of deposites, amounting to $4,100, signed by J. T. Guthrie, were rejected whilst Jacob Eyster was cashier, because there were no funds in the bank, and the directors did not regard Mr. Guthrie as the authorised cashier. These checks and certificates were not paid whilst I remained in the bank, several of them had been placed in litigation by their holders; I at that time acted as teller. These checks and certificates of deposit constitute a part of the certificate account as handed to me by the former cashier Jacob Eyster.

Mr. Heard in continuation testifies—That these checks were given by Mr. Guthrie when absent from the bank, and that at the time they were protested, there were no funds to meet them. I kept up the bank by borrowing money from several individuals, having at one time but $400 of bankable funds, and depended upon borrowing from several individuals, say A. Kershner, R. Logan, F. Stumbaugh and G. Kealhofer; there were at that time no specie in the bank except several boxes of cents. I acted then as teller.

Andrew Kershner, Esq., former president of the Farmers and Millers Bank of Hagerstown, appeared, was sworn and deposed as follows:—That he held twenty shares of stock in the bank; did not pay for them, but was transferred to him, to make him eligible for the presidency, by J. T. Guthrie; he now pays the tax on the same; at any time he is called upon to transfer said stock, he feels bound to do so. Thinks Mr. Jones, of Harrisburg, is a stockholder to the amount of $60,000 or more; thinks he has paid on all said stock about $7,000 or $8,000; the balance is secured by mortgages on real estate in Pennsylvania; Mr. J. T. Guthrie was the original owner of the stock held by Mr. Jones; cannot say whether any of said stock was paid by Mr. Guthrie in *cash*; the payment of the stock was made to the bank by a mortgage on certain real estate in Pennsylvania. His (Mr. K's) connexion with the bank commenced about the first Monday of May, 1841; cannot say whether all of the stock held by Mr. Jones was transferred by Mr. Guthrie, or whether part was not transferred by other persons; thinks that Mr. Jones gave a stock note in part payment of his stock; said note amounting to about $50,000 or $60,000; is not aware that any part of said note has been paid; Jones wished to lift said notes and transfer said stock to the bank; but the board of directors would not consent; thinks that some $7,000 or $8,000 was subsequently paid into the bank by Mr. Jones, but not for the purpose of being applied to said notes, but the board of directors passed a resolution, ordering the said sum to be applied to the discharge of said Jones' notes. Mr. Emanuel Guyer, of Harrisburg, is also a stockholder to the amount of $50,000 or $60,000; the amount spoken of as having been paid on Jones' stock was considered as applicable as well to Guyer's as Jones' stock, no other amount was paid; Mr. Guyer's stock

was secured by the same mortgage which secured Mr. Jones'; is not aware that any change in the transactions of Jones and Guyer with the bank has taken place since his disconnection with the bank, which took place about the 27th day of May last, at which time other officers were elected; is not aware that any preference was ever given to any individual in discounting paper.

Mr. K. thinks the bank was solvent when he left it, and thinks it might have sustained itself by judicious management; thinks that not more than $5,000 was subscribed by citizens of Washington county, most of the stock subscribed by them was paid. Weed, who he thinks was connected with the Millington Bank, was an original subscriber of stock in the Farmers and Millers Bank to a considerable amount, but cannot name the precise amount; is not aware that any thing was ever paid by Weed or any other person on said stock, the same he thinks was subsequently transferred to Mr. J. T. Guthrie; nor is he aware that Mr. Guthrie ever paid any thing on *this stock;* there was paid to the bank by Mr. Guthrie about $2,000, which was placed to his credit upon his stock generally; he (Mr. G.) being a stockholder at that time to a considerable amount; is not sure that Weed, who was a stockholder in this bank, is the same man who was concerned in the Millington Bank. Mr. K. states distinctly, that he is not aware that there ever existed between the Farmers and Millers Bank of Hagerstown and the Millington Bank, any official connection whatever; during the time of his presidency, the bank held as collateral security for the payment of stock, certificates of stock of several internal improvement companies in Pennsylvania. Mr. K. cannot say what the stocks were worth; thinks that the certificates were upon the Williams Valley Rail Road and Mining Company, and the Union Rail Road and Mining Company; cannot say by whom the stocks were pledged; they were represented to him as being valuable; the bank holds no real estate except in Pennsylavania, knows nothing of himself of its value, but has been informed by one of the directors, who said he had made some inquiry on the subject, that the property was considered valuable; this property is held under deeds or mortgages by the bank for the payment of stock held by Mr. Jones, of Harrisburg. One of the directors proceeded to Pennsylvania to examine the real estate and to have the mortgages recorded by the bank, which was done; made very few discounts during his administration of the bank; notes, however, were renewed; made but few collections; some few curtailments were paid on bills discounted; the stockholders were the principal debtors to the bank.

About the time of making out the annual statement to be forwarded to the Treasurer of the State, in December, 1841, Messrs. Jones and Guyer, of Harrisburg, paid into the bank about six or seven thousand dollars in specie, probably more; this sum was counted in as a part of the specie then belonging to the bank, but it was withdrawn from the institution by checks from the same persons on the next day after the return was made out for

the Treasurer. At the time this money was *paid, counted* and drawn out, J. T. Guthrie had no official connection with the bank. This sum in specie was placed, at the time of its payment, to the credit of the stock of Messrs. Jones and Guyer.

The checks of Messrs. Jones and Guyer for the same amount that had been placed to their credit on their stock, was duly loaned and paid by the cashier, although the said Jones and Guyer had no money in the bank on deposit. He thinks that the whole amount of specie in the bank at that time, including the same paid in by Jones and Gueyer, was about nine thousand dollars. When Messrs. Jones and Guyer paid in the specie, they also paid a considerable amount of foreign bank notes, amounting perhaps to as much as the specie; this foreign paper was also checked for them and paid out by the cashier at the same time the specie was paid out.

Andrew Kershner being again called, says:—That his official connection with the bank ceased about the last of May last; in August or September, 1841, some certificates of deposit were marked *good* by Mr. Guthrie, the then cashier of the Farmers and Millers Bank of Hagerstown, amounting to about seven thousand dollars, and the persons to whom these certificates had been so marked, were credited upon the books of the bank by the said Guthrie, as cashier, notwithstanding he had previously resigned. The bank looked upon the transaction as *frandulent*, and would not consent to pay said certificates; subsequently the grand jury of Washington county presented said Guthrie for embezzleing the funds of the bank; this presentment took place at November term, 1841; at March term, 1842, the grand jury found a true bill against Mr. Guthrie for said embezzlement. Mr. Guthrie was at this time a director in the bank; after this fraudulent transaction, Mr. Guthrie was expelled from the board sometime between the months of September and November, 1841; sometime in the spring of 1842 that resolution was *rescinded*, and Mr. Guthrie was again permitted to take his seat at the board; some time preaious to the election of directors in May, 1842, Mr. Guthrie and his friends secured a number of shares of stock, by which means they were enabled to turn out the old board, and re-elected Mr. Guthrie and such other gentlemen as were acceptable to him. After Mr. Guthrie's resignation he left Hagerstown on a visit to the East; after remaining there a few weeks, he returned and entered the bank and made the entries in the books above alluded to. As soon as he (Mr. Kershner) received information of the entry in the books, the board of directors were called together, and protested against the validity of Mr. Guthrie's act in this particular. It was distinctly understood at the time Mr. Guthrie left Hagerstown for the East, that he would return in a few days, but his stay was extended to some weeks.

George Fechtig appeared before the committee, was sworn and deposed as follows:—He was a director in the Farmers and Millers Bank of Hagerstown in the years 1841 and part of 1842;

Mr. Fechtig was one of the original stockholders in the institution to the amount of $100; paid his stock in full, part he thinks he paid to Messrs. Beall and Kealhofer in Millington money; he (Mr. F.) was a member of the committee from the directors to count the means of the bank sometime after the explosion of the Millington Bank, at which time he thinks the bank had from nine thousand dollars to eleven thousand dollars in specie; has no recollection of the other means of the bank; discounted but very little paper; thinks the circulation at that time was about $18,000; does not know the precise manner in which the stock was paid in, but understood that when the bank went into operation, she had the required amount of specie; he understood, as a director of the bank, that an individual by the name of Weed, whom he farther understood was connected with the Millington Bank, and was a large stockholder in the Farmers and Millers Bank, that said Weed paid for his stock in this institution by a certificate of deposit of about sixty-two thousand dollars in one of the New York banks; that certificate he understood to constitute a part and parcel of the actual capital of the said Farmers and Millers Bank of Hagerstown; he (Mr. F.) is very certain the bank never obtained the amount of said certificate in any manner whatsoever, but the said certificate was subsequently delivered, without the knowledge of the board of directors, by the then president and cashier of the bank to Mr. Weed, for his, Weed's check on some other bank; his impressions are that Weed's check was never paid, and has no knowledge what has ever become of the check. Mr. F. never saw either the specie, certificate or Weed's check; the matter was spoken of frequently in conversation at the board of directors; the directors always regarded the transaction as a *fraud* committed on the bank here by Mr. Weed; the directors held the officers of the Farmers and Millers Bank excusable for having given to Weed the specie certificate for his individual check, although the exchange was made by them without the knowledge and consent of the said board of directors. A very small proportion of the stock was held by citizens of Washington county; the stock was mostly held by the Messrs. Weed; he thinks that Mr. Guthrie, the then cashier, held a power of attorney from the Weeds; and he thinks that probably Mr. Guthrie sold Weed's stock to Messrs. Jones and Guyer, of Harrisburg; Weed was not a stockholder when Mr. Fechtig came to be a director; that he recollects, he thinks, that Jones and Guyer paid about $13,000 on their stock, $5,000 or $6,000 in silver and gold, the balance in current funds. Mr. Fechtig was very much astonished to learn a few days after, that a portion of these same funds that had been paid in the bank on their stock, had been drawn out of the bank by the same gentleman; the bank holds some certificates of stock of some rail road and mining companies in Pennsylvania, and also deeds or mortgages on lands in Pennsylvania for the stock held by Messrs. Jones and Guyer in the Farmers and Millers Bank of Hagerstown; the bank holds

the stock notes of the same gentlemen, and it is probable that some of the certificates above alluded to, and deeds and mortgages are *held* as collateral security for the payment of the stock notes of these gentlemen. He (Mr. Fechtig) has no knowledge of the worth of the stock of the rail road and mining companies, nor does he know the value of the lands under deed or mortgage.

Mr. Fechtig recalled:—Was a director part of years of 1841, 1842; the bank sustained some losses by certain checks marked "good" by Guthrie; the amount was about $11,000; the checks were marked "good" without any authority given to Guthrie; the persons in whose favor these checks were drawn, had no account in bank to his knowledge; the board would not recognise the act of Guthrie; the board of directors in consequence of these facts, expelled Mr. Guthrie as a director; the resolution some months after was rescinded, not from any belief in the innocency of Guthrie, but from a doubt of the authority of the board to pass such resolution of expulsion.

John A. Rench, appeared before the committee, was sworn, and deposed as follows:—He was a director in the Farmers and Millers Bank of Hagerstown, in the year 1840—he was one of the first board of directors; he continued to act as such until the second regular annual election of directors, at which time he declined a re-election. At the time the bank went into operation, there was in the vault of said bank several boxes of specie. He assisted in opening eight or ten boxes of silver himself. There was, also, in the bank a certificate of deposit of specie, in one of the New York banks in favor of a certain individual by the name of *Weed*, amounting to about sixty thousand dollars. Weed was a stockholder in the Farmers and Millers Bank to a considerable amount. This certificate for sixty thousand dollars, was to be applied in discharge of Weed's stock; does not know but a part of this certificate was to be applied to the payment of other persons stock not charged on the books of the bank as Weed's. He is sure that the certificate was at that time considered the bona fide property of the bank, constituting a part of its actual capital paid in.

The Farmers and Millers Bank of Hagerstown never to the knowledge of Mr. Rench, received payment for that certificate whilst he was director.

Mt. Rench although a director, was never a bona fide stockholder; J. T. Guthrie transfered to him, (Mr. R.) ten shares of stock for the purpose of qualifying him to act as director. He was solicited to become a director by George Kealhofer. After his,(Mr. R's.) resignation he re-conveyed the stock to Mr. Guthrie.

David Ban, appeared before the committee, was sworn, and deposed as follows:—Ten shares of stock stand in my name on the books of the Farmers and Millers Bank of Hagerstown; they were transferred to me by John L. Smith; I gave my note for the

amount—have not been called on for payment—did not expect to be called on for payment when I give my note. The note has been returned to me; I consented to become a director by lending myself to retrieve Mr. Guthrie, whom I considered an injured man; this took place about May last; resigned as director in September last. When I was elected I considered the bank under the control of the directors, until I found it otherwise. Objected to the continuance of the resolution of the board, by which discounts were made by the president, cashier and two directors, because on examination I found that most of the discounts were made for the benefit of the president and directors. Guthrie objected to the rescinding of the resolution, and I resigned. The discounts made were for paying for stock purchases. I regarded Guthrie as exercising rather too much control over the bank, and as being very ingenious in getting the resolution above referred to passed.

CHARLES M. PERRY, appeared before the committee, was sworn, and deposed as follows:—That on or about the time the Millington Bank failed, he received from Mr. George Ross Beall, President of the Farmers and Millers Bank of Hsgerstown, three fifty dollar notes, and one hundred dollar note on the Bank of Millington. Mr. P. deposes that he was greatly importuned by Mr. Beall, to exchange with him Valley Bank paper for this Millington money, and pledged himself to Mr. Perry to redeem or give him other money if he could not get shut of the Millington money. Mr. P. called frequently on Mr. Beall to comply with his promise and to exchange this money, but he refused to do so, alleging he (Mr. P.) had kept the money too long, and he would not now exchange it, as he had give it out as the agent of the Farmers and Millers Bank of Hagerstown. Mr. P. does not know of any other person having received Millington money from the Farmers and Millers Bank of Hagerstown. At the time Mr. Pollard the present president, exchanged the Millington money for Mr. Perry; he Mr. Pollard informed Mr. Perry that the board of directors were unanimous in their opinion, that he Mr. Perry, should be indemnified.

He Mr. P. has never had any other transactions whatever with the Farmers and Millers Bank of Hagerstown.

Mr. Perry has never heard any thing concerning the Farmers and Millers Bank of Hagerstown, to satisfy him of the insolvency of the institution.

THOMAS N. DAVIS' STATEMENT.

To the honorable committee assembled at Hagerstown, to examine the Farmers and Millers Bank:

GENTLEMEN,—I became acquainted with J. T. Guthrie, the former cashier of this bank during the year 1840, and was introduced to him by William Weed, the great financier of the Millington Bank. This interview took place in Washington City, where Weed and Guthrie made application to me for funds to commence the Farmers and Millers Bank at Hagerstown. The application was made to me and William H. Williams, and was refused—at the same time Weed and Guthrie said they were determined to start her, that is, the Farmers and Millers Bank—Guthrie holding out to me what could be done if they could only make a commencement, and what means it would afford those who were concerned in that bank, and that bank, and the Millington concern, could do what they pleased. I had already exchanged with Weed some thousands of dollars, and so had Mr. Williams, and we refused to have any thing to do with it, the Farmers and Millers Bank. Sometime after this, I was in Baltimore, and saw Weed and Guthrie: Weed had just returned from New York and had ten thousand dollars in specie, and kept it in his room at the hotel, and I think the next day they started up to Hagerstown with the funds, and said they were all ready, and that the bank would go immeately into operation; so their ended my acquaintance with Guthrie for some time, and when I met Weed it was at New Orleans, and asked him how he came to act so badly; he excused himself by saying he was deceived, and I asked him how I was to get my money back, that is the money which I had previously exchanged with him for the Millington concern, and he said he and Guthrie had the Farmers and Millers Bank at Hagerstown, and as it was the funds he got of Williams and myself, and had taken it to start this bank, the Farmers and Millers Bank with, we must look there for our money, as this was his only hope. So when I returned in the spring of 1841, I came up to see Mr. Guthrie, when I met him he appeared glad to see me, and I thought it was all owing to his fear of my exposing him, and he said his bank, the Farmers and Millers Bank, was doing well now—but when the Millington Bank had failed, the money come in on them very rapidly, but all was *now* over, and the prospects was good, and he had another bank charter in view, and wanted to put her in operation as soon as possible, and solicited me to join *him*—this was a Virginia bank chartered at Kanahway, a salt manufactory—and said his object was to keep the Farmers and Millers Bank good, and start *this*, and it only wanted some little specie and the rest would be

the Farmers and Millers Bank money, which would do to start with, and when she got rightly under way, she could be broke, and it was away from home. For the truth of this statement, see Mr. Guthrie's letter of August 11th, 1841. This all failed, as I supposed the means could not be raised, and he turned to another object; he thought he had better go out of the bank, as he said it appeared the people would not get over the impression of the connection of the Millington Bank; and he thought he had better retire as cashier for one year, still he would be a director. (See his letter Sept. 6, 1841.) In this letter he speaks of $1,000 handed to me which was in Farmers and Millers Bank notes; this money was given as was also a draft on the Lancaster County Bank of Pa., for one thousand dollars more; this thousand dollar draft was drawn by Guthrie, on the Lancaster County Bank, and accepted by the person who was to become the cashier, although the bank had not at that event gone into existence, but it was understood that it would go into operation in a few days. I thought all this was done to induce me to embrace all of his plans; so in some ten days after he sent a Mr. Murray to Washington for some means or funds, saying he wanted a thousand dollars; so I raised it on this draft, that is, the Lancaster County Bank draft, and it was paid, contrary to my expectation. In consideration of the thousand dollars of Farmers and Millers Bank notes which Guthrie had given to me in Hagerstown, I accepted his Guthrie's draft, drawn on me for that amount, and made payable at some short date; this draft was passed off to Judge Blythe of Pennsylvania, for the use of Guthrie; Guthrie then, after passing the draft to the Judge, wrote to me not to pay it, but to suffer it to come back to him; in obedience to his request the draft was protested and sent back, since then I have been sued upon the draft. I found from his letters that my money was all his aim, and of course he got no more out of me, (see Guthrie's letter, October 9, 1841.) This will show, as well as all the rest, up to the 22nd October, 1841, at which time I left for New Orleans, and of course heard nothing from him until I returned in the spring of 1842; when I got back I was introduced by Guthrie to J. S. Pollard, the present president of the Farmers and Millers Bank. In Washington city Mr. Pollard opened himself to me quite freely, and so did Guthrie, giving themselves great credit for their management in getting the old party out, that is the old board of directors; and they said they now only wanted a little funds, and asked me if I would give them some Virginia and other funds—promised me that they would give me in return their own money; to oblige them I gave them some thousand or eleven hundred dollars, part in Virginia and part in gold. I came on up to Hagerstown, with Pollard and Guthrie, and went into the bank, Farmers and Millers Bank, with them, (Pollard and Guthrie,) and was there introduced by them to Mr. Heard, the cashier, and was paid the Farmers and Millers Bank money, for which I had given to Pollard and Guthrie in Washington. I remained at Pollard's hotel some days, and I and Pollard had fre-

quent conversation, and he said, if nothing else could be done, a circulation of some forty or fifty thousand dollars could be got out, and then they could slide it into the hands of the Pennsylvania party and make some ten thousand dollars a piece. I wont be sure, that I here, at this time, became acquainted with Mr. Smith, but I think it was, and I think Guthrie introduced me to the gentleman mentioned, in letter July 19th, 1842. Mr. Guthrie proposed to me to join him and Smith in a flour store in Georgetown, each one to put in one thousand dollars, and I consented so to do; Mr. Smith was to purchase the flour up on the canal, and send it to Guthrie in Georgetown; the flour was to be paid for in Farmers and Millers Bank money, and it was to be sold for other funds and sent to the bank; but they could not raise the funds, and that failed, and he began to think he could not get Smith's money, and he thought he had no further use for him, and said he must be bought out, as per letter July 19th, 1842.— He speaks of drawing on me for $110; I think this $110 was given to me in the bank, over and above what I had given in Washington; then speaking of their small notes, I think they gave me some three or four hundred dollars, and they finding they staid out better than they thought they would; I would of exchanged some more for them, but they had got all they could do with me, so I heard nothing for some time; so at length, Pollard arrives at Washington with horses, and in a few days Guthrie comes on, and they wanted money; they said that they were strapped hard. I told them I had no money, and Guthrie said he had a bill or draft drawn by Mr. Beatty, or on Mr. Beatty, which had some few days to run, and wanted to get the money for it; I told him I thought Thomas Williams would cash it; he said he wished I would take it and see; I asked him what was the amount, he said five hundred dollars; so I took the bill or draft and went to Williams, and he said Guthrie, had just been to see him, and he, Guthrie, had said he had just gotten such a bill cashed in the Georgetown bank, and it was stange he should have now sent it to him to cash, and he looked at it and read it, and handed it back to me, and I looked at it and found it was for five hundred dollars, and I returned it to Guthrie and he was quite out of temper, because he could not get the money; and if Mr. Smith was examined, I have understood some strange things would appear about the bill or draft; so I believe that neither Guthrie not the president could raise five hundred dollars at that time. But here I must remark, they spoke of Mr. Heard; that he must go out of the bank, he did not suit them, they wanted a man that *they could use*, and Mr. Heard was not the man, and they would have him out; so I presume they have done as they wished; they have, at least, another man. Finding things not going on as I thought right, and their money of no use to me, could not be used, and I had really abandoned it as all lost; I wrote to Guthrie to make arrangements to pay the acceptance I was sued on, and pay me my expenses, and I wanted nothing more to do with them; that I

did not like to pay his private debts, but I got no answer from him, and he took the studs from that time; and I wrote to the president, after seeing him sick in Washington, where I thought I paid as much attention as I could have done if he had been Nick Biddle, and spoke to him in a mild way. I thought hard I should pay Guthrie's private debt, and hoped they would arrange it and my expenses, and I would do nothing more; but I could not get an answer from him, but his good friend Guthrie answered it, which I did not notice.

While Pollard was in the city of Washington, he offered me, if I could procure him any amount of specie, say from one to five thousand dollars, he would pay ten per cent. for thirty days, and would besides give me one hundred dollars for my trouble, as all his hopes had failed with Col. Saffron, from whom he expected to get five thousand dollars in specie, and who was to take the notes of the Farmers and Millers Bank west to circulate; and he wanted this specie to report on, to the Legislature of Maryland; this was in December, between the 25th and the first of January, 1843.

I, Thomas N. Davis, of the city of Washington, in the District of Columbia, do make oath on the Holy Evangely of Almighty God, that the foregoing statement is correct and true, to the best of my knowledge and belief, so helf me God.

Sworn and subscribed before me,

C. F. Gelwicks, J. P.

A justice of the peace in and for Washington county, Md.

JOHN SCNIVELEY'S STATEMENT.

To the honorable committee assembled at Hagerstown, to examine the affairs of the Farmers and Millers Bank:

GENTLEMEN,—I purchased of J. T. Guthrie, cashier of the Farmers and Millers Bank of Hagerstown, eighty-four thousand some hundred dollars of the stock of said bank, owned by Hickcox & Co., said Guthrie being one of the firm, said stock appearing upon the books of the bank to be full paid; the bank at that time had claims to a large amount against Hickcox & Co. and Guthrie. Mr. Guthrie received from me in payment of the said stock, real estate and stocks of different corporations in Pennsylvania, which said real estate and stocks were by me transferred to the bank by special deed, (without any warrantee.) The said stock was by my request transferred—$20,000 to David Krouse, Esquire, $20,000 to Samuel H. Clark, Esquire, $20,000 to James S. Espy, Esquire, $24,000 in my name, and a few other shares in the name of the president and some of the directors of the Farmers and Millers Bank. I paid to J. T. Guthrie, cashier, $4,000, two or three hundred dollars in fulfilment of an agreement entered in at the time of sale, upon the receipt of which he was to resign his cashiership and leave the bank, which he refused to do, after having received the money. Guthrie called upon me and stated that the bank needed money. I then gave him $1,000, for which I did receive a credit in the bank. I at different times checked out about five or six hundred dollars before the 1st of Sept. 1841. I then called at the bank to settle my account; I was informed by Mr. Heard, the teller, that my bank account was closed by J. T. Guthrie. Upon examination, I discovered that a note for upwards of $300, drawn in favor of Hickcox & Co. in Harrisburg, not due for thirty or forty days, and not payable in the bank, was charged in my account, and also a private account between Hickcox & Co. and myself, were charged against me to balance my account. When I returned to Harrisburg, I called upon Mr. Hickcox and told him that the bank held the note above referred to and due bills. Hickcox then stated to me that Guthrie was not the acting partner, and had no right to the note, nor did he know how he obtained possession of it, but that the note was paid, I having taken up a note for $300, in the hands of Benjamin Park, and other moneys then due me, much more than the amount of their note and due bill. I visited Hagerstown about the last of September, 1841. Mr. Guthrie called upon me at my room before breakfast, the morning after I arrived, and stated to me that there was in the Hagerstown Bank

for collection, a check drawn by C. C. Murray, and marked good by him as cashier, and stated to me that if I did not advance the money to the bank to take up the check held by the Hagerstown Bank, it would be protested, and the bank would go down. I objected to make any further advance to the bank, stating that she now owed me a deposit which she refused to pay. He (Guthrie) then stated that the bank was at this time unable to pay, but that if I would advance to the bank four hundred and forty-five dollars in par funds, to enable the bank to take up the check above referred to, the bank would pay the balance of my deposit and give me a certificate of deposit, payable at short dates, for the money at this time advanced. The bank at that time held a deed from me for real estate lying in Pennsylvania, valued at $8,000, for which I never received any consideration, which Guthrie, the acting cashier, promised to have returned before he left the bank. Upon those promises, I was induced to make a further advance of four hundred and forty-five dollars, in par Philadelphia funds, and took from the bank their certificates of deposit for the amount, which were so much under par, that they could not be sold.

On the evening of the 1st of October, 1841, I drew a check for $150 in favor of Chew Schnebly, Esquire. Chew Schnebley and myself then called upon Guthrie with the check, and he promised it should be paid on the next morning. Chew Schnebly, as I was informed by letter from him, called at the bank the next morning and presented the check, which the bank refused to pay. The bank still withheld the balance of my deposit, and also the deed for the real estate, and has refused to hand over the same to myself or my order. On or about the 1st of July, 1841, I was informed by J. T. Guthrie, the cashier of the Farmers and Millers Bank, that the Washingron County Bank had a claim against the bank for about $3,200, for which she had given a draft on the Philadelphia Bank, which was to be met on the 15th instant. Guthrie stated to me that the bank had no funds to meet it, and that he did not know how to raise the money to take it up. I then went to Philadelphia for the purpose of raising the money, money at that time being very difficult to obtain. I then called upon William V. Pettit, (prothonotory of the city and county of Philadelphia,) and stated to him that I must raise $3,000, in par funds. He inquired of me for what purpose. I stated to him that I wanted the money to loan to the Farmers and Millers Bank, to assist in paying a draft held by the Washington County Bank. Mr. Pettit at first refused to let me have the money, stating that I would in all probability loose all the money I had advanced to the concern. I then stated to him that I held a large amount of stock in the bank, and was forced to keep her up. He then agreed to let me have $3,000; he gave me a check on the Philadelphia Bank for $1,000, payable on the 15th of July, 1841; $1,000 in cash; $1,000 in Tide Water Canal money. I handed to Mr. Guthrie, the cashier, Mr. Pettitt's check for $1,000; also,

$1,000 Tide Water money, nearly par at that time. Guthrie said that was not sufficient. I then borrowed from Calvin Blythe, Esquire, his note for $600, and also a draft for $600 drawn by Calvin Blythe, Esquire, on me in favor of O. F. Johnson, Esq., and endorsed by him, which said note and draft I loaned to J. T. Guthrie, for the benefit of the bank, to raise money to pay her indebtedness to the Washington County Bank. Guthrie pledged with Mr. Abbott, of Philadelphia, the note, draft and Tide Water money, which he promised to return to me in a short time; which said note, draft and Tide Water money has since that time been repeatedly demanded at the bank by me and my attorney, and was refused up to the 1st of November, 1842, it being at the time of no value, the note and draft is still in the possession of the bank, and not handed over.

I have never borrowed or applied to the bank for any discount since my connexion with her. I purchased a check from Elder & Co. for $500, drawn by C. C. Murray on the Farmers and Millers Bank of Hagerstown, in favor of S. B. Hickcox & Co. marked good by J. T. Guthrie, cashier, which was repeatedly presented to the bank and payment refused, said check was made payable the 20th of September, 1841, and was not settled until November, 1842, then settled by $100 cash, a draft on the Farmers and Millers Bank for $192.50, drawn by J. T. Guthrie in favor of J. S. Pollard, president of the bank, and accepted by Mr. Clarkson, Esq. as cashier, payable on the 1st of February, 1843; and also a draft drawn in the same manner for $242 $\frac{50}{100}$, payable on the 1st of March, 1843. I also held a certificate of deposit for $500, purchased from P. C. Sedgewich, signed by J. T. Guthrie, cashier, and dated September, 1841, which when presented for payment at the bank was refused and protested. Suit was then brought against the said bank by Alexander Neill, Esq. for the recovery of the money—nothing further was done until the first of November, 1842, when I determined to take a different course, and informed the bank through my counsel that a scieri facias would be issued against the bank if she would not settle both the above claims; the one was then settled as I have above stated, and the other they proposed to settle by paying part in cash, and give a judgment payable on the 5th of Jan., 1843, for the balance. There is at this time a certificate of deposit in my favor for $500, payable in the Citizens' Bank of Baltimore, dated September 11th, 1841, signed J. T. Guthrie, cashier of the Farmers and Millers Bank of Hagerstown, which was protested at the Citizens Bank of Baltimore for the want of funds (so says the Notary Public) which still remains unpaid. Also a certificate of deposit signed J. T. Guthrie, cashier, for $500, payable to my order, which has been protested and is still unpaid. October, 1841, I purchased from J. T. Guthrie $1,000 of Williams Valley Rail Road and Mining Company stock, for which he gave an order on the Farmers and Millers Bank. The bank then agreed to transfer the stock, but have since

refused and now hold the same. The said stock was by me transferred to Chew Schnebly, Esq. and has not by him been received from the bank; I also held a bill of sale from C. C. Murray, Esq. for 1200 shares of the capital stock of the Farmers and Millers Bank of Hagerstown, which the bank now refuses to transfer; I also purchased from J. T. Guthrie, cashier, and agent of A. Reed & Co. about the first of September, 1841, 1,127 shares of the capital stock of the Farmers and Millers Bank of Hagerstown, for which I fully paid and satisfied J. T. Guthrie, which said stock was by J. T. Guthrie at my request transferred upon the books of the bank to Calvin Blythe, Esq. of Philadelphia, and at the same time J. T. Guthrie as cashier of said bank gave to Calvin Blythe, Esq. a certificate stating that there is standing in his name upon the books of said bank, 1127 shares of said stock full paid. The bank directors now refuse to issue certificates for the said stock; the old board of directors refused to sanction the transfer or to issue certificates until the presentment against J. T. Guthrie was decided. I accepted for J. T. Guthrie and C. C. Murray, an acceptance for $1000 in the city of Philadelphia; I held acceptances at that time against C. C. Murray, J. T. Guthrie and Hickcox & Co. accepted for each other for twenty-two or three hundred dollars, which were protested. Murray had notice not to part with my acceptance, as he and the company then owed me a large sum of money which is yet unpaid. Murray did not part with the acceptance until after he obtained the benefit of the insolvent laws of Pennsylvania; he then transferred the said acceptance to the Farmers and Millers Bank, I am informed, without recourse, the bank having had full notice not to receive the same.

I sold to A. J. Jones, of Harrisburg, in the month of August, 1841, the stock that I had purchased from Hickcox & Co. he having had a full statement of the situation of the bank from J. T. Guthrie, cashier. I have had no further transaction with the bank since the sale of my stock, except those referred to in my report. The interest in the claims that I now hold against the bank I purchased within the last two months, and the claims which I have referred to in my report, and which were settled by the bank, part of which were originally mine, were re-purchased by me, some short time previous to their settlement.

At your request I have stated the reasons I had for selling my stock, and withdrawing from the bank, in August 1841, one cause was that J. T. Guthrie the cashier, did not resign his cashiership according to agreement; another cause was, I understood that Guthrie the cashier, had not given bond to the bank, and that Guthrie appeared to me to manage and control the whole bank, without any direction or restriction from the board of directors. One other reason was that I considered him a remarkable shrewd man, and that he was largely engaged in business in Pennsylvania, which I considered unprofitable; I found also that to sustain the bank I would be called upon to make further advances, which I felt myself unable to do, being at that time engaged in other ope-

rations at various places. Also, one inducement to sell to Mr. Jones was, that I believed that he, together with his friends, could raise money sufficient to sustain the bank.

Respectfully yours,

JOHN SNIVELY.

Washington county, to wit:

On this 28th day of January, 1843, before me the subscriber, a justice of the peace of the State of Maryland, in and for said county, personally appeared John Snively, and solemnly affirmed, as he should answer to the Judge of quick and dead, that the matter set forth in the within instrument of writing is correct to the best of his knowledge. Affirmed before

C. SHEPPARD, J. P.

MAJOR SNIVELY'S SECOND STATEMENT.

To the honorable committee assembled at Hagerstown, to examine the affairs of the Farmers and Millers Bank.

GENTLEMEN,—I purchased of J. T. Guthrie, in the spring of 1841; eighty-four thousand some hundred dollars of the stock of the Farmers and Millers Bank of Hagerstown, owned by S. B. Hickcox & Co., and others, said Guthrie being one of the firm of S. B. Hickcox & Co.; the stock appearing upon the books of the bank, to be fully paid; at my request the stocks were transferred, $20,000 to David Krouse, Esq., $20,000 to Samuel H. Clark, Esq., $24,000 to myself, and a few other shares to the president and some of the directors of the Farmers and Millers Bank. I paid J. T. Guthrie, cashier of said bank, $4,200, in fulfilment of an agreement entered into at the time I purchased said stock, upon the receipt of which he was to resign his cashiership, and leave the bank, which he refused to do, after having received the money. Mr. Guthrie called upon me and stated that the bank stood in need of some money; I then deposited $1,000 of par Philadelphia funds; I checked on the bank for five or six hundred dollars; I then called at the bank to settle my account, and Mr. Heard, the teller, stated to me that Guthrie had closed my account. Upon examination it was discovered to be closed with spurious charges made by Guthrie; I drew different checks which were dishonored. The old board of directors refused to adjust the matter until a full examination into all J. T. Guthrie's transactions. The president and cashier of the new board have examined my bank account, and have agreed to pay the checks drawn at the time.

J. T. Guthrie, the cashier of the old board of directors, called upon me and stated that he, as cashier of the Farmers and Millers Bank, had drawn a draft in favor of the Washington County Bank for $3,200, payable in the Philadelphia bank in specie, and that he did not know where to raise the money, unless I furnished it. I went to Philadelphia and procured $2,000, which I handed to J. T. Guthrie, the cashier, to assist in taking up the draft; I at the same time loaned to him, a note for $600, and my acceptance for $600, to raise the balance of the money. The old board refused to pay this money loaned to the bank; the present board have paid the most of the money advanced by me, and have agreed to settle the balance. Mr. Guthrie, the cashier of the old board, applied to me again for money to assist the bank; I refused to let him have it; stating to him that the bank was now indebted to me and had refused my checks; he then told me that if I would let the bank have $445, he would settle my account in the bank and hand me over a deed for real estate in Pennsylvania, valued at $8,000, which the bank held without any consideration; upon these terms I gave him the money, and took certificates of deposit from the bank for the $445, which have since been paid. I purchased a check for $500, on the Farmers and Millers Bank, marked *good* by J. T. Guthrie, as cashier, which was refused by the old board of directors, and since paid by the present board; also, a certificate for $500, which was refused by the old board, and since paid by the present board. I have never borrowed or applied to the bank for any discount since my connection with her.

At your request, I here state my reasons I had for selling my stock and withdrawing from the bank in August 1841. One cause was, that J. T. Guthrie, the cashier, did not resign his cashiership according to agreement; another cause was, I understood that Guthrie, the cashier, had not given a bond to the bank, and that Guthrie appeared to me to manage and control the whole bank, without any direction or restriction from the board of directors. One other reason was, that I considered him a remarkable shrewd man, and that he was largely engaged in business in Pennsylvania, which I considered very unprofitable. I found also, that to sustain the bank, I would be called upon to make further advances, which I felt myself unable to do, being at that time engaged in other operations at various places. Also, one other inducement to sell to Mr. Jones was, that I believed that he, together with his friends, could raise money sufficient to sustain the bank.

The $1,000 acceptance given to C. C. Murray, was transferred to the Farmers and Millers Bank after he had procured the benefit of the State law, as an insolvent debtor, and before he applied for said law and accepted. The cashier and teller of the bank had full notice, that if Mr. Guthrie or C. C. Murray presented the acceptance, that it was fully paid, and notwithstanding, the bank received it.

The certificates spoken of in the presence of the committee, one for $500, payable to my order, and dated July, 1841; and also, one for $500, payable in the Citizens' Bank of Baltimore, and in my favor; the board have agreed to arrange and settle them.—The president and cashier stated, that they had never been laid before them in a proper light, owing to the old board of directors refusing to pay them. The stocks they had refused to transfer; at the setting of the board they have agreed to arrange them, so says the cashier and President.

Respectfully, yours,
JOHN SNIVELY.

Washington county, to wit:

On this 28th day of January, 1843, before me the subscriber, a justice of the peace of the State of Maryland, in and for said county, personally appeared John Snively, and affirmed and solemnly affirmed, as he should answer to the Judge of quick and dead, that the matter set forth in the within instrument of writing is correct, the best of his knowledge. Affirmed before

C. SHEPPARD, J. P.

JOHN SNIVELY'S THIRD STATEMENT.

To the honorable committee assembled at Hagerstown, to examine the affairs of the Farmers and Millers Bank.

GENTLEMEN,—The report made out whilst in Hagerstown, and by the request of Mr. Buchanan, the chairman of the committee, the president and cashier were ordered to appear before the chairman at 2 o'clock, P. M., to hear the report read. The president appeared and the report read in his hearing; the president of the bank appeared surprised, and stated that it was altogether new to him, as it had never been made known to him and the present board, in its true light. Mr. Buchanan, the chairman of the committee, stated it would be no more than right, as the president of the Farmers and Millers Bank appeared ignorant of the transactions, to give them an opportunity of examining the claims referred to in the report. The report was read in the Farmers and Millers Bank, in the presence of the president and cashier, and left with them one day and night for further examination, by the board of directors. And they reported that at the next meeting of the board, on Tuesday next, all the claims referred to in my report of the Farmers and Millers Bank, should be fully and satifactorily settled. So says the president and cashier of said bank.

Yours respectfully,
JOHN SNIVELY.

OWEN CONNOLLY'S STATEMENT.

ANNAPOLIS, *January 27th*, 1843.

Some time about the middle of September last, J. S. Pollard, President Farmers and Millers Bank, whilst staying at my house in the city of Washington, authorised me to negotiate a loan of ten or twelve thousand dollars in specie requisitions or funds, for which he was willing to pay a bonus of five hundred dollars; the first named amount to be used, as I understood him, for the purpose of reporting to the Legislature. I addressed him a letter on this matter, requesting him to come to the city, that I had succeeded. He came as soon as convenience would justify, as I believe, and after some days having been spent in preparatory negotiation, the matter failed. There was a misunderstanding between my conception of the negotiation and that explained by J. S. Pollard, as well as I recollect. The intention was to send the funds westward in sums that would suit the bank to redeem when presented for payment. I had done all that I could have done, fairly and without pay or emolument, thinking and believing that the bank was fully competent eventually to redeem its liabilities.

OWEN CONNOLLY.

The interlineation of the President of the Farmers and Millers Bank, being interlined before sworn to.

On this 27th day of January, 1843, personally appears Owen Connolly of the city of Washington, before me, the subscriber, a justice of the peace, and makes oath on the Holy Evangely of Almighty God, that the facts as set forth by him in the within, is just and true, according to the best of his knowledge and belief. Sworn before

R. WELCH, of Ben.

Annapolis, Anne Arundel County,
The same day the above written.

JOSEPH T. GUTHRIE'S STATEMENT.

Mr. Joseph T. Guthrie summoned to testify before the committee by J. S. Pollard, President of the Farmers and Millers Bank of Hagerstown.

Mr. GUTHRIE being sworn, testifies as follows:—On the 31st August, 1841, at a regular meeting of the former board of directors, at this meeting the consideration of my proposition to resign was taken up, which was accepted on consideration that I would act as cashier until another was provided in my stead. General Eyster was elected as cashier the same day, on condition that he would give bond in the sum of $20,000, and take the oath prescribed by law in the charter. On the 30th September, the board again met; Eyster appeared and qualified, after having given the due security. The bank received the cash for all these checks and certificates of deposits, which were exhibited to the committee this day by the president; that regular entries were made of the same, before my retiring from the bank as cashier; since the election of the present board of directors, the bank has settled the whole of them, considering that a valuable consideration was received, and that the bank was legally bound for them, and by paying those certificates and checks, the amount of the indebtedness of the bank was thereby reduced to that amount.

When I was elected cashier, and after the organization of the bank, I received from the treasurer of the commissions $75,050 in specie and specie certificates, with which amount the bank commenced operation; there was included in that amount, I think, two specie certificates, at all events not more than three; one of them was a certificate issued by the Erie County Bank of New York, one other by the Millington Bank. Some time after the bank had been in operation, the then president and myself discounted a draft drawn on the Phenix Bank of New York for $61,500, interest received on which was $953.$\frac{1}{100}$; before the maturing of this draft, I purchased all the stock then held by the two Weeds and Sherwood in the Farmers and Millers Bank, in payment of which I took up that draft, by giving to the Farmers and Millers Bank between that time and the 10th February following, $40,000 of paper satisfactorily secured to the institution; some time after this, myself and two other gentlemen gave to the institution $20,000 of notes, secured by collateral security, to the satisfaction of the institution; whether the balance was paid in cash or notes satisfactorily on demand, I cannot now recollect, without referring to the books of the institution. Since this time the whole of the $60,000 has been taken up, and the securities mentioned above have ceased to exist as the securities of the bank; that is the manner in which this draft has been retired; the time that draft was given, the money of the institution on which it was drawn, was at par—two per cent. premium in this place, as will appear from Bicknell's Reporter.

In justification of the course above pursued by myself, I sub-

mit as part of my testimony, the opinion of certain attorneys, learned in the law, marked (I.)

"The following case was submitted to us by J. T. Guthrie, Esq. for our opinion:

The Farmers and Millers Bank of Washington County was thus organised:—The citizens of the county subscribed for a considerable amount of the stock, a couple of gentlemen of reputed wealth also subscribed for a large amount, being a majority of the whole taken before the organization of the bank. The citizens paid for their stock in checks and notes on other banks; those gentlemen paid for their stock by giving the bank $9,000 in specie and the balance in certificates of specie paying banks; those certificates set forth that there was deposited so much specie in those banks to the credit of these gentlemen. The specie collected for the notes and checks paid in by the citizens and the specie paid by those gentlemen, together with the certificates, made up the amount of $75,000. The bank being required by the tenth article of the charter to have $75,000 in gold and silver before commencing to issue her notes, the Treasurer was requested to appoint such persons to examine and report the same to him; he did appoint persons as required by the charter, who did report that $75,000 in gold and silver was in possession of the bank. Whereupon the Treasurer gave the bank a permit to commence business. The bank commenced a regular course of banking and has continued to do so ever since, but she has in the mean time discounted bills and notes on time and taken liens on real estate as collateral security, and for part of these bills and notes so discounted, gave in payment the certificates above named. Your written opinion is requested as to whether this bank was legally organised, and whether she has since violated her charter; and if she has or has not in a legal point of view of the whole matter, does she now stand in a correct position?

Upon the above statement of facts, the first question put to us is whether the said bank was legally organised. By the 10th article of the 13th section of the charter of the bank, it is provided "that until the sum of $75,000 in gold and silver coin, should be in possession of the president and directors of the banks as part of its capital stock, and the same shall have been certified to the Treasurer of the Western Shore by such persons, as he shall appoint, to ascertain said facts, it shall not be lawful for the said president and directors, to issue any note of said corporation." The object of the foregoing provisions, was to secure, previous to the organization of the bank, and as indispensable thereto, an adequate specie basis, upon which, to commence the proper business of the corporation, and without which, it could never have existence, as a bank in the eye of the law. This article not only requires, that the above amount of gold and silver should be in possession of the bank, but that the fact should be clearly established, directs that the Treasurer should appoint two persons, to ascertain and report to him the possession of the above sum in gold and

silver by the bank, as a part of its capital stock. According to the statement of the facts, three persons were appointed by the Treasurer, to make the requisite examination and report to him, the result of their scrutiny. That these persons assuming upon themselves the execution of the duties of their office, did make the requisite examination, and reported to the Treasurer, that the said bank had in its possession, as a part of its capital stock, the sum of $75,000 in gold and silver, and that, upon this report being satisfactory to the Treasurer, he gave the bank a permit to commence its business. We are of opinion that the above report of the persons appointed to examine the condition of the bank, and the permit of the Treasurer granted thereupon, afford conclusive evidence, that the bank did every thing which was necessary to its perfect organization, so far as the 10th article of the 13th section of its charter is concerned, and that it has therefore a complete legal existence, and is every way qualified to transact the business for which it was created, and is in the just and full possession of all its chartered rights.

As to the loan made by the bank, and to secure which, it has taken mortgages on real estate, there can be no doubt that it was entirely competent and proper for it so to do. This power is expressly conceded to the bank, by the 21st article of the 13th section of its charter.

Upon the whole we are of opinion, there is nothing in the above statement of facts, that can create a suspicion as to the due organization of the said bank, or in the subsequent management of it, that can impair its claim to the validity of its charter, and all the rights and privileges which are granted by it.

JAMES M. BUCHANAN,
G. L. DULANY.

I have received the opinion of Messrs. Buchanan and Dulany, and fully concur in the same. WILLIAM PRICE.

The opinion of Messrs. Buchanan and Dulany, have been read carefully by me, and I fully concur in the same.

ALEX. NEILL, Jr.

Mr. Guthrie denies the correctness of the statement of Mr. Fechtig, so far as Mr. F. stated that the bank received nothing for the draft upon the Phenix Bank of New York. The bank does not owe Mr. Snively any thing—that since any transaction with him by the bank, he Snively, has availed himself of the benefit of the bankrupt act, and owes the bank $1,000.

The statement by Mr. Thomas N. Davis made before the committee, so far as regards myself making any statement to him in relation to an institution of which he spoke of in Virginia, which could be put in operation, its funds divided among ourselves, and then brake, is false—as also that portion of his testimony which states that Weed brought the $10,000 of specie from New York is false, I having procured that specie myself in Philadelphia—and

brought the same to Hagerstown. I do not owe Mr. Davis a dollar in the world; I also deny all that portion of Davis' testimony in which he states that Mr. Pollard and myself stated to him that we could get out a circulation of 30 or $40,000, and then slide it into the hands of the Pennsylvania concern, as utterly fale. I have from time to time received from Davis, letters containing threats that unless the Farmers and Millers Bank did loan him as much money as he wanted, he would blow her up; as also that he would appear before this committee and testify against the bank; Guthrie denies the general accuracy of the entire statement made by Davis. I have been told that Davis has stated that if I would give him a thousand dollars he would go away, and not interfere with the bank.

Since the committee arrived here, I have ceased to be concerned in the Farmers and Millers Bank, either as director or stockholder, and have come under a penalty never again to hold stock in said institution. The subject of the negotiation of my stock has been a matter of consideration before any committee was appointed to investignte the bank—and has only been closed since their arrival here.

I know of no transaction ever made by any officer in the institution intended for any other purpose than for the benefit of said institution.

Mr. JOHN ROBINSON—I am a merchant in this town; I am not a stockholder in the Farmers and Millers Bank, but have been accustomed to receive the money of that bank; have always found the bank ready to redeem its liabilities, so far as I have been concerned.

Mr. JACOB SWOPE—I am also a merchant of Hagerstown; have been accustomed to receive the money of the Farmers and Millers Bank, never had any difficulty with its notes; have made exchange with the bank of its own issue for specie; never had any difficulty in effecting the same; have no connexion whatsoever with the bank.

Mr. L. O. HARN—I am a merchant of this town; am not a stockholder in the Farmers and Millers Bank; have no direct interest in the bank; have never refused their issues; always been able to effect an exchange of its notes for specie; do not know of the bank ever refusing to redeem its notes.

JOURNAL OF PROCEEDINGS.

The committee appointed to investigate the affairs of the Farmers and Millers Bank, proceeded to Hagerstown, Washington county, and met at the Globe Inn, on Monday the 16th inst, and organized by appointing George W. Post, clerk, and George G. Brendle, messenger.

Present,

John M. Buchanan, Chairman, Doctor J. S. Owens and J. H. Grove.

TUESDAY, *January 17th*, 1843.

Committee met at No. 10, Globe Inn. Were present same members as yesterday, and addressed the following letter to John S. Pollard, Esq. president of the Farmers and Millers Bank of Hagerstown, together with a copy of the order of the House of Delegates, instituting this committee of inquiry:

GLOBE INN, *Hagerstown*, 17*th Jan.* 1843.

SIR,—Inclosed you will receive a copy of an order adopted by the House of Delegates, on the 13th inst. In pursuance thereof the committee are now in Hagerstown, and will be pleased to learn at what hour to-day it will be agreeable to the president to see the committee at the banking house.

Your ob't serv't,

J. M. BUCHANAN.

To J. S. POLLARD,

President Farmers and Millers Bank, Hagerstown.

The above letter was handed to the president by the messenger about half past 10 o'clock, A. M., who returned in ten minutes with a verbal answer from the president and cashier, that they will return an answer in writing in the course of an hour.

The committee waited until the time expired, and then addressed the following letter to the president:

GLOBE INN, *Hagerstown*, 12½ *o'clock.*

SIR,—The select committee appointed on the 13th inst. by the House of Delegates, to examine into the condition of the Farmers and Millers Bank of Hagerstown, having informed the president of said bank of their presence in Hagerstown, and of their desire to be informed at what hour it would be agreeble to the president for them to visit said bank, and having received no answer to their

communication of this morning—now inform the president that they will be at the banking house at 1½ o'clock, for the purpose of commencing said examination. By order of said committee,

GEO. W. POST, Clerk.

To. J. S. POLLARD, Esq.
President Farmers and Millers Bank.

The above was forthwith handed to the president of the Farmers and Millers Bank, by the messenger, who returned with the annexed answer:

FARMERS AND MILLERS BANK OF HAGERSTOWN,
Tuesday, 1 *o'clock, P. M. Jan.* 17*th*, 1843.

J. M. BUCHANAN, Esq.

SIR,—I received yours of this morning, and in answer say—that this being our discount day we are considerably engaged; and although we cannot acknowledge the right of the Legislature to examine the affairs of this bank, we will cheerfully admit you to make an investigation at the banking house to-morrow at 2 o'clk P. M.

Your ob't serv't,
J. S. POLLARD, *President.*

At half past one o'clock the committee received another communication from the president of said bank in answer to their communication at 12¾ o'clock, which is as follows:

FARMERS AND MILLERS BANK,
1½ o'*clock, P. M., Jan.* 17*th*, 1843.

J. M. BUCHANAN, ESQ.

SIR,—I received yours of 12¾ o'clock of to-day, which is now before me, and regret to say that we cannot, consistent with our duty to the institution, admit your investigation to commence at the time stipulated by your last—but shall be happy to receive you at the time named by us, in my note to you.

Your ob't serv't, J. S. POLLARD.

The above communication was handed the committee by the messenger of the bank, which was immediately replied to as follows:

GLOBE INN, 2 *o'clock.*

SIR,—Both of your communications of this date have been received by the special committee, appointed to investigate the concerns of the Farmers and Millers Bank. The committee can see no reason why you should have objected to an immediate investigation, and regret that you should have been so forgetful of the duty you owe the institution over which you preside, as to have insisted on a postponement until 2 o'clock, P. M. to-morrow. We would respectfully suggest the propriety of the committee entering upon the discharge of the duties assigned them, at 9 o'clock to-morrow morning. By order of committee,

GEO. W. POST, *Clerk.*

To JNO. S. POLLARD,
President of Farmers and Millers Bank, Hagerstown.

The committee then received the following letter:

BANK HOUSE, *January* 17th, 1843,

Half past 2 o'clock, P. M.

J. M. BUCHANAN, ESQ.

SIR,—Your last communication has just been received, proposing to commence your investigation to-morrow morning at nine o'clock; to that proposition we accede.

Our only object in proposing 2 o'clock, P. M. to-morrow, as the hour of our meeting, was to enable us to pass through the ordinary business of the bank, during our banking hours, and to avoid that interruption to which we must necessarily be subjected. There is no disposition on the part of this institution, to subject your committee to the slightest inconvenience or delay, in discharging the duties conferred upon you by the Legislature. At the hour above named, we shall be prepared to receive the committee and proceed with the investigation.

Your obd't servant,

J. S. POLLARD, *President.*

WEDNESDAY, *January* 18*th*, 1843.

Committee met at the Banking House—present same members as yesterday.

The committee, before proceeding to an examination of the Bank, administered the following oath to M. C. Clarkson, cashier of said bank:

You make oath on the Holy Evangely of Almighty God, that the *specie funds* which you shall exhibit, to be counted by the special commitiee appointed by the House of Delegates, are *bona fide* the funds of this bank; that none of said specie has been borrowed for a temporary or special purpose, or belongs to any other banking institution, or has been deposited to the credit of any person or persons, as special depositors. Cashier sworn.

The following exhibits were then handed to the committee:

Situation of the Farmers and Millers Bank of Hagerstown, at the close of business, January 2nd, 1843.

Debtor.		
To stockholders - - -	$155,406 00	
" Certificates and current deposits	5,719 61	
" Circulation - - -	16,709 00	
		$177,834 61
Credit.		
By debt outstanding - -	$123,773 86	
" Bonus paid the State - -	2,500 00	
" Profit and loss, - -	2,043 66	
" School tax paid - -	342 95	
" Suspense account - -	324 46	
" Stocks - - - -	17,100 00	
" Real estate - - -	21,028 83	
" Specie and specie funds -	6,121 46	
" Notes of other banks and sight checks - - - -	4,599 39	
		$177,834 61

A Statement of the Farmers and Millers Bank of Hagerstown, January 18th, 1843.

Debts.			
Stockholders - - - -		$155,406 00	
Certificates and current deposits		5,464 54	
Circulation - - - -		8,839 00	
			$169,709 54
Credits.			
Outstanding debts - - -		$120,696 42	
Bonus paid State - - -		2,500 00	
Profit and loss - - -		2,043 66	
School tax - - - -		342 95	
Expense account - - -		1,107 37	
Stocks - - - - -		17,100 00	
Suspense account - - -		263 31	
Real estate - - - -		21,028 83	
Specie and specie funds	$2,410 00		
Notes of other banks and sight checks -	1,780 00		
Funds in Baltimore, subject to our check	437 00		
		4,627 00	
			$169,709 54

The cashier produced to the committee the specie funds, as follows:

Bag No. 1, - - -	$300 00	Silver.
" " 2, - - -	200 00	
" " 3, - - -	200 00	
" " 4, - - -	700 00	Gold.
Change bag, No. 5, - -	130 00	
" 6, - -	195 50	Copper.
	$1,725 50	

Paper of specie paying banks, $285.

Wm. Crawford, Jr's. check on the Farmers and Commercial Bank of Baltimore, $392.61.

Notes of Pennsylvania banks, $860.

A. P. Willson and William Carson, of Harrisburg, note dated Dec. 9, 1842, thirty days after date, $400.

Certificate of deposit to the credit of J. Gray, in the Harrisburg Savings Institution, bearing 4 per cent. interest, dated January 25th, 1842, redeemable at any time by giving four weeks notice, $500.

Balance due the bank by William Crawford, payable at sight, $437.

Real Estate.—The bank exhibited to the committee the following deeds:

No. 1. The undivided fourth part of two-thirds of 297 acres of land, more or less, situated in Piney Grove, Schuylkill county, Pa. *Original grantor* David Greenwell to Henry Buhler, of Harrisburg. Consideration paid $505.50. Assigned to the bank by C. A. Snyder, consideration, $1,700. Date of original deed April 14, 1836. Assignment dated Sept. 7, 1841.

No. 2. Deed bearing date May 15, 1841, from John Snively, of Harrisburg, to the Farmers and Millers Bank, two certain tracts or parcels of land, lying in Piney Grove township, Schuylkill county, containing together 800 acres, with allowance of 6 per cent. for roads, by which it appears that the bank paid said Snively $24,000, of which sum $13,271.17 has been paid, leaving a balance due, $10,728.83.

No. 3. Deed from John Snively, of Harrisburg, to the Farmers and Millers Bank, for a lot of ground in the township of Swatara, Dauphin county, Pa., for which said bank paid $600.

No. 4. Deed from John Snively to the Farmers and Millers Bank, for one-eighth of 1600 acres of land in Schuylkill county, Pa., for which the bank paid $800.

Exhibit of Stocks.—No. 1. Certificates of stock of Union Rail Road and Mining Company, of Pa., $17,000.

No. 2. Williams Valley Rail Road and Mining Company of Pennsylvania, $100.

Committee adjourned to meet at 3 o'clock.

2 o'*clock, P. M.*

Committee met—present same as this morning, and addressed the following letter to the cashier:

FARMERS AND MILLERS BANK,
Hagerstown, 18*th Jan.* 1843.

M. C. CLARKSON, ESQ. *Cashier:*

SIR,—The select committee appointed to examine into the condition of the Farmers and Millers Bank, would thank you to lay before them the diary of proceedings of the board of directors, and also your offering book.

Very respectfully, &c.
J. M. BUCHANAN, *Chairman.*

The above was immediately delivered to the cashier, and in a few minutes returned the following answer:

FARMERS AND MILLERS BANK,
Hagerstown, 17*th January* 1843.

To J. M. BUCHANAN, ESQ. Chairman:

SIR,—In answer to yours just received, I feel obliged to decline exhibiting the diary of the board of directors of this bank, that book containing the names of every individual who has been in the habit of transacting business with us; and not deeming it proper to throw open for examination the transactions of individuals, I hope will be received as sufficient apology for the refusal; I am however authorised to say that so far as an examination of the private accounts of each and all of the present board, a full exhibition of the books shall with pleasure be made. I also intend to mean in the above offer, the accounts of the president and cashier.

A separate offering book from the diary of the board, the bank keeps none. Very respectfully, yours &c.
M. C. CLARKSON, *Cashier.*

To the above the committee returned the following answer:

FARMERS AND MILLERS BANK,
Hagerstown, 18*th January*, 1843.

M. C. CLARKSON, ESQ.

SIR,—Having refused by your letter this moment received, to lay before committee the diary of proceedings of your bank, and also your "*offering book*," and it appearing from the statement furnished by you to the committee this morning, that the bank has "outstanding debts" to the amount of $120,696.42, the committee have no means now to ascertain the nature and *availability* of those debts, unless you will lay before them the books of the bank, or the bills discounted; they therefore most respectfully ask you to communicate to them some other satisfactory evidences of the said outstanding debts of your institution.

As we shall decline for the present, any examination of the accounts of the present board of directors, and other officers of the bank, as they would not most likely impart the necessary informa-

tion desired by the committee, to illustrate the character of the outstanding debts of the bank.

Very respectfully, yours, &c.
J. M. BUCHANAN, *Chairman.*

The committee issued summons for the following persons to appear before them, to wit:

Thomas N. Davis, William V. Heard, Charles W. Perry, Andrew Kershner, George Fechtig, David Ban, John L. Smith, Robert Logan, John Snively, John A. Rench and Wm. B. Clarke.

GLOBE INN,
Hagerstown, 18*th Jan.* 1843, 7 *o'clock P. M.*

Agreeably to adjournment, the committee met, were present the same as yesterday. And adopted the following list of interrogatories to the president and directors of the Farmers and Millers Bank of Hagerstown, which was delivered between 8 and 9 o'clk this evening.

The select committee appointed by the House of Delegates to examine into the condition of the Farmers and Millers Bank of Hagerstown, request answers to the following interrogatories, in writing, and under oath:

GENTLEMEN,—

1. When did the Farmers and Millers Bank of Hagerstown go into operation?

2. What was the amount of *actual*, and what amount of nominal *capital*?

3. How was that capital paid in? If not all in specie—state what amount was paid in specie, and what amount in other funds, designating the character and kind of such funds?

4. Who were the original owners of the stock? What was the first price, and what is now the value of said stock?

5. Who have been heretofore directors and officers, and who are now directors and officers of said bank, and what amount of stock do the present directors and officers individually hold?

6. What amount of stock of the Farmers and Millers Bank or of any other stock, has been taken in payment of debts due said bank?

7. What amount of money is owing said bank by its directors and officers as drawers, and what amount as endorsers?

8. Have the present directors and officers paid up the amount of the stock held by them in full? If not, what amount remains unpaid?

9. Did said directors or officers at the time of the purchase of their stock, pay the cash for it? If not, state the terms on which said stock was purchased?

10. What amount of money has been loaned by said bank on stock notes?

11. Has said bank paid out any of its notes with an under-

standing that such notes were to be put in circulation at distant places? If yea—to what amount.

12. Has said bank directly or indirectly purchased at a discount the notes of any other bank, or paid out at their par value such depreciated notes?

13. Does said bank, in discounting, give a preference to the paper of any individual or individuals?

14. State the actual condition of said bank quarterly, from the 31st day of December, 1840, to the 31st day of December, 1842, and in such separate statements, give a detailed account of all its assets and liabilities, embracing amounts of specie, notes of other banks, real estate, stocks received in payment of debts, bills and notes discounted, balances due by other banks, and all other assets; and the capital stocks, notes in circulation, balances due other banks, individual deposits, public deposits, if any, all other liabilities, and profit and loss?

15. What was the rate of your four last dividends declared by said bank? What surplus was brought into the dividend account for the year 1842, and what surplus had you left at the time of declaring said dividends?

16. What amount of debts due said bank are considered desperate? what amount doubtful? what amount, if any, are suspended?

17. State what amount of notes since the 1st January, 1840, of from $100 to $500, from $500 to $2,000, from $2,000 to $5,000, from $5,000 to $10,000, from $10,000 and upwards, have been discounted by said bank?

18. How were the present board of directors elected, and what number of votes were given by the stockholders personally, and what number by proxies?

19. Has any of the debts due said bank been exchanged, or is any exchange contemplated of such debts for stocks of incorporated companies, or for certificates or other evidences of debts against individuals, incorporated companies or States? If yea—state to what amount, and give a full and detailed account of the same?

20. Were not Weed and Sherwood, late of the Millington Bank, stockholders in the Farmers and Millers Bank? If yea—state to what amount, and specify particularly whether they have paid the full amount of stock subscribed by them, and the manner in which they paid the same—whether in specie or in drafts, and whether the same have been punctually paid, and in what kind of funds? and whether said stock still stands on your books as the property of Weed and Sherwood? If not, to whom has the same been transferred, and at what time was said transfer made on your books?

21. Have you ever discounted the drafts of Sherwood and Weed, or any of the officers of the Millington Bank? If so—state the amount.

22. Have you received or paid out any of the notes of the Millington Bank since its failure? If yea—to what amount.

23. Has the bank ever lost any of its means by embezzlement or the defalcation of any its late or present officers or directors? If yea—state the time of the same, and to what amount.

24. Who were the original and who are the stockholders in said bank?

GLOBE INN,

Hagerstown, 20th Jan. 1843, 10 *o'clock, A. M.*

Committee met.—Present the same members as yesterday. Summons issued for General Otho H. Williams, George R. Beall and B. Hale.

John A. Rench appeared and desired to correct his testimony of yesterday, which was accordingly granted; but his statement being of a very contradictory and unintelligent character, the committee declined receiving it.

The following letter was addressed to the cashier of the Farmers and Millers Bank of Hagerstown, enclosing a copy of interrogatory No. 25:

GLOBE INN,

Hagerstown, January 20, 1843.

To M. C. CLARKSON, ESQ.

Cashier of the Farmers and Millers Bank of Hagerstown:

SIR,—You will please furnish the select committee with a list of the names of all of the original stockholders in the Farmers and Millers Bank of Hagerstown, as also a list of the names of the present stockholders, setting opposite each individuals name the amount paid by them respectively, specifying as nearly as you can, the particular description of funds in which the stock was paid for. Respectfully, &c.

J. M. BUCHANAN, *Chairman.*

P. S.—Inclosed you have interrogatory No. 25, which you will please answer with the others furnished you hereafter.

No. 25. Have any transfers of stock of the Farmers and Millers Bank of Hagerstown been made without a valuable consideration, but for a special purpose? If yea—state at length the purposes contemplated or expected to be accomplished by such transfer; also, whether there was a positive or implied understanding, that said stock should be re-conveyed after the purpose sought to be accomplished had been consummated.

By order of the committee,

J. M. BUCHANAN, *Chairman.*

The committee adjourned at 6 o'clock, P. M. to meet at 7 o'clock, P. M.

GLOBE INN, 7 *o'clock, P. M.*

Committee met.—Present same members. Thomas N. Davis appeared, as requested, with an exhibit of his testimony in writing.

Five interrogatories in writing were sent to John A. Rench, and his answer requested in writing, but his replies not being deemed to the point, the committee deem it prudent not to encumber their journal with them.

Committee adjourned at 9 o'clock, P. M. to meet at 9 o'clock, A. M.

GLOBE INN, *January 21st*, 1843.

Committee met.—Present same as yesterday. Wm. V. Heard appeared and was sworn.

The reading of the journal was dispensed with.

Thomas N. Davis appeared and exhibited his testimony in writing.

Committee adjourned at 1 o'clock, to meet at 1½ o'clock.

1½ *O'clock, P. M.*

Committee met. George Fechtig appeared and was re-examined.

The following communication was received from the cashier:

Hagerstown, January 21st, 1843.

J. M. BUCHANAN, ESQ. Chairman:

SIR,—Some verbal testimony having been given before the committee, that the directors think could be satisfactorily explained, if the books were referred to, I am authorised to produce before the committee, for such references and explanations, all the books of the bank for examination, except as to private accounts. Very respectfully, yours, &c.

M. C. CLARKSON, *Cashier.*

In answer to the above, the committee sent the following communication:

GLOBE INN,

Hagerstown, Jan. 21, 1843, 4 *o'clock, P. M.*

To M. C. CLARKSON, ESQ.

Cashier of the Farmers and Millers Bank of Hagerstown:

SIR,—Your communication of this date has just been laid before the committee. You say in that note that some verbal testimony having been given before the committee, that the directors think could be satisfactorily explained if the books of the bank were referred to, and that you are authorised to produce the books for such reference and explanation. It will be recollected by you,

that the committee made application to the bank for the diary of proceedings of the board of directors, and also of the books of the bank, for the purpose of enabling them to arrive at a correct understanding of the actual condition of the bank at this time, as well as the manner in which the institution has been conducted. This request was refused by the officers of the bank. The committee cannot now consent to an examination of the books with reference to any isolated question, or for any special purpose; but if you will now consent to lay before the committee the books of the institution for the purpose of a general examition of the same, the committee will still go into such examination.

The committee will cheerfully hear and examine any witnesses of respectability and not interested touchiug the affairs of the bank, that you may think proper to introduce for that purpose, or for the purpose of explaining or rebutting any testimony that may have been taken by this committee. Actuated by a spirit of courtesy, the committee have suffered the officers and directors of the bank to be present at the examination of all of the witnesses, and have extended to the bank the right of a cross examination, continuing to be influenced by the same feelings towards the gentlemen who may feel themselves implicated by the testimony which has been taken. We will hear them in defence by any well authenticated matter or other testimony. Unless the bank have some testimony of the character above indicated, to offer, the committee will adjourn this evening at 10 o'clock, P. M., to meet at Annapolis on Thursday morning next. Respectfully, &c.

J. M. BUCHANAN, *Chairman.*

To which the following answer was returned:

FARMERS AND MILLERS BANK, HAGERSTOWN,
5 *o'clock, P. M. 21st January*, 1843.

J. M. BUCHANAN, Esq. Chairman.

SIR,—Your note dated 4 o'clock, P. M. this day has just been received, and I hasten to reply to it. In one of your former communications, you requested an examination of the diary of the board of directors and book of offering, which request, we felt ourselves bound to decline, because those books contained the private individual transactions of all persons having dealings with the bank. In a note addressed to you to day by the cashier, he offers to your examination the books of the bank, in relation to any matter you might desire to investigate, except the private accounts.

I now propose to lay before your committee all the books of the bank for the purpose referred to, and I am now willing that your committee shall have the books to examine every thing except the private accounts of individuals. You stated in your note of this evening, that you are willing to examine witnesses of respectability, not interested, touching the affairs of the bank. You will re-

collect that on the first day of your examination, I requested of you the privilege of appearing before the committee by counsel on the part of the bank, and of cross examining witnesses, and producing rebutting testimony, which request you refused to grant. You now inform us that your committee will adjourn at 10 o'clock to-night. You will therefore perceive that it is absolutely impracticable to summon witnesses and have them examined on our part, in the very limited period allowed by the committee.

We ask the privilege of having Mr. J. T. Guthrie examined as a witness on the part of the bank, as he has ceased to be a director, or hold any other interest or connection with the institution.

This being our only opportunity of offering any testimony according to the tenor of your last communication.

Yours respectfully,

J. S. POLLARD.

At about 7 o'clock, P. M., the following communication was received from M. C. Clarkson, cashier, enclosing the answers to the interrogatories that had been addressed to him on the 18th inst.

HAGERSTOWN, *January* 21*st*, 1843.

J. M. BUCHANAN, ESQ. Chairman.

SIR,—Inclosed you will find the answers to 22 of the 25 interrogatories furnished by you, the 14th, 17th and 24th interrogatories will require such a length of time to answer, that I have concluded to send the enclosed, and say to you, that I shall as soon as possible answer the three. I have been examining the books preparatory to furnishing an answer, and find it altogether impracticable to prepare answers for a few days.

Very respectfully, your obedient servant.

M. C. CLARKSON, *Cashier*.

The answer of M. C. Clarkson, cashier of the Farmers and Millers Bank, to the interrogatories propounded by the committee of the House of Delegates of Maryland, appointed for the investigation of the affairs of said bank.

This respondent begs leave to state that he has always lived in the State of Pennsylvania, until he was elected cashier of the Farmers and Millers Bank, on the 12th of October last, on which day he entered upon his duties. He consequently has no personal knowledge of the operations of the bank, previous to the period above referred to.

To the first interrogatory this respondent answers: The bank commenced its operations, as it appesrs from the books, on the 10th of September, 1840.

2. The books shews that the capital subscribed was $100,000, the amount paid in $75,050.

3. It appears that the amount paid in, viz: $75,050, was paid in specie and specie certificates—in what proportion it does not appear.

4. To the first branch of this interrogatory I refer you to the answer to the 24th, the original price was $10 per share. I have known of no sale since I have had charge of the bank, but have understood that a number of shares have changed hands at par, within six months.

5. At the first election held under the charter, the following gentlemen were elected directors and officers, viz: Directors, William D. Bell, George Kealhoffer, Samuel Baechtell, John Newcomer, James J. Hurly, John Welty, Martin Richenbach, Otho H. Williams and G. Ross Beall. The election for the above named gentlemen, was held March 17th, 1840. On the 4th May, following, Otho H. Williams, William D. Bell, G. Ross Beall, John Newcomer, George Kealhoffer, James J. Hurly, Joseph T. Guthrie and John A. Rench were elected directors, and on June 1st, G. Ross Beall was elected president, and John Welty and George Fechtig to fill vacancies, caused by the election of Mr. G. R. Beall, president, and William D. Bell be disqualified, having been elected a director in the Hagerstown bank, and Joseph T. Guthrie, cashier.

On May 3rd, 1841, the following gentlemen were elected directors. G. Ross Beall, George Fechtig, James R. Jones, John Welty, J. T. Guthrie, Samuel Baechtell, Robert Logan, Frederick Stumbach. G. Ross Beall declining a re-election, Andrew Kershner, was elected president.

August 31st. Mr. Guthrie resigned his cashiership, and Mr. Jacob Eyster elected.

October 5th, 1841. Jacob Eyster, was elected director to fill vacancy.

May 25th, 1842. The following gentlemen were elected. John Welty, Robert Logan, Christian Negly, J. L. Smith, John Clay, John S. Pollard, J. T. Guthrie and David Barr.

On 26th May, J. S. Pollard was duly elected president.

On October 12th, 1842. M. C. Clarkson was elected director to fill vacancy, and on same day was also elected chashier in room of W. V. Heard resigned.

John S. Pollard holds	73	shares of stock.		
M. C. Clarkson	"	50	"	"
R. Logan	"	20	"	"
C. Negly	"	5	"	"
J. Welty	"	20	"	"
J. L. Smith	"	5	"	"
J. Clay	"	25	"	"

6. No stocks of this bank appear to have been received in payment of debts, but the stocks exhibited to you in the statement furnished you, appear to have been so received.

7. There is due by one of the directors as drawer, the sum of $135.5—there is nothing else due by either director or officer as drawer, as endorser one of the present board is on notes to the amount of $300.

8. Yes?

9. This respondent knows nothing except of his own, which he purchased of J. S. Pollard, and gave his note for the payment.

10. It does not appear that any money has been loaned on stock notes,—there are two notes which appear to have been given for stock, which this respondent is willing to exhibit, the notes are dated October 22, 1841.

11. It does not appear from the books that such transaction took place, nor does this respondent know of any.

12. Since this respondent has been connected with the bank, no paper has been directly or indirectly purchased, he has some times received at par Pennsylvania money and so paid it out.

13. He does not know of said bank giving any preference in discounting to any individual or individuals, except as to the character of the paper.

14.

15. No dividends have been declared.

16. Having a very slight knowledge of the circumstances of persons indebted to this bank, this respondent is unable to say, what amount of debts are desperate, what amount are doubtful, and what suspended.

17.

18. This respondent has no knowledge, and there is nothing to shew.

19. Although not quite confident that a detailed statement of a conditional arrangement about being made, should at present be made public. This respondent feels that it is due to the community, as well as to the institution, to make the following statement, viz: a negotiation has been going on for some time past, for the transfer of some claims of the bank, which may be considered doubtful for evidences of debt of the State of Pennsylvania, bearing an interest of 6 per cent. payable in semi-annual instalments, on some of which 20 per cent. on the principal was paid on the 1st of November last, and in May another payment will be made. The arrangement has so far been made, (and would have been consummated ere this, had not the excitement which at present prevails, been raised, as it was without any foundation, and caused the persons interested in the arrangements to hold back until the result of the investigation now going on, was known,) that the bank has now in its possession, such evidences of indebtness to the amount of $32,000, which should the report of the committee be made against the institution, are to be delivered to the persons contracting with the bank, who are gentlemen of capital and of most undoubted respectability. Should however the report be favorable, of which this respondent can feel no doubt, the above amount will be increased to a much larger sum, and made the active capital of the bank. I hope the gentlemen in contract with the officers of this bank, will see the propriety of this respondent making this statement, as he thinks the interest of the stockholders require it.

20. Yes—for 6,500 shares, on which it appears three instalments were paid, amounting to $49,000. Nothing to shew how it was paid, except that it was paid before the bank went into operation—a fourth and the last instalment appears to have been paid on W. H. Weed's proportion, viz: 3,500 shares—amount paid $7,750, making paid in all $57,550.

On the 4th May, 1840, W. H. Weed transferred

to J. T. Guthrie			200	shares.
" " " "	J: A. Rench		10	"
20th August "	Charles C. Murray & Co.		190	"
28th " "	Saml. B. Hickcox & Co.		3,100	"
			3,500	
Sept. 4th, 1840, M. B. Sherwood transferred to	S. B. Hickcox & Co.	2,533		
24th, " "	Theodore Bates	467		
			3,000	
			6,500	shares.

21. It does not appear that any draft was discounted in favor of Sherwood and Weed. A draft was discounted for $61,500, drawn by W. Adams, cashier, on N. G. Ogden, cashier, New York.

22. No transaction of the kind has taken place since I have been in the bank.

23. He knows of no embezzlement or defalcation of any of its late or present officers or directors, nor of any loss sustained by the bank by embezzlement or defalcation.

24.

25. This respondent knows of no transaction of the kind.

State of Maryland, Washington county to wit:

Be it remembered that on this 21st day of January, A. D. 1843, personally appeared Michael C. Clarkson, cashier of the Farmers and Millers Bank of Hagerstown, and made oath on the Holy Evangely of Almighty God, that the matter and facts as stated in this instrument of writing, to be just and true as hereinstated, according to his knowledge and belief. Sworn before,

C. H. GELWICKS,

A justice of the peace in and for Washington county, Md.

State of the Farmers and Millers Bank of Hagerstown, at different dates, from January 1st, 1841, to January 2nd, 1842.

January 1st, 1841.

Debts.		
Stockholders - - - -	$75,350 00	
Circulation - - - -	5,670 00	
Deposits - - - -	6,092 35	
		$87,112 35
Credits.		
Due by Citizens Bank of Balt.	845 74	
Specie - - - -	3,878 90	
Notes of other banks - -	6,615 00	
Loans and discounts - -	71,763 61	
Bonus to State - - -	2,500 00	
Profit and loss - - -	1,509 10	
		$87,112 35

March 31st, 1841.

Debts.		
Deposits - - - -	$3,509 88	
Circulation - - -	10,000 00	
Interest - - - -	289 37	
Stockholders - - -	76,095 00	
		$89,894 25
Credits.		
Citizens Bank - - -	32 99	
Bonus - - - -	2,500 00	
J. G. Park - - - -	5 00	
Specie - - - -	3,805 97	
Bank notes and checks - -	10,355 28	
Bills and notes due and unpaid	4,500 00	
" " not due -	68,695 01	
		$89,894 25

June 17th, 1841.

Debtor.		
Stockholders - - -	$98,737 50	
Circulation - - -	6,205 00	
Deposits - - - -	5,313 36	
Profits and loss - - -	377 72	
		$110,633 58
Creditor.		
Hagerstown bank - - -	1,175 00	
Bonus - - - - -	2,500 00	
Debts outstanding - - -	66,245 55	
School tax - - -	150 70	
Stocks of incorporations - -	37,850 00	
Cash - - - - -	2,712 33	
		110,633 58

September 30th, 1841.

Debtor.		
Stockholders - - -	$167,957 50	
Circulation - - -	5,975 00	
Deposits - - - -	14,041 29	
Profit and loss - - -	688 28	
		$188,662 07
Creditor.		
Loans - - - -	52,574 41	
Mortgages - - -	62,300 00	
Real estate - - - -	34,300 00	
Stocks - - - -	34,850 00	
Bonus - - - - -	2,500 00	
Philadelphia Bank - -	10 65	
Cash - - - - -	976 31	
School tax - - -	150 70	
Tide Water money - - -	1,000 00	
		$188,662 07

January 18*th*, 1842.

Debtor.		
Stockholders - - - -	$96,116 20	
Certificates - - -	11,910 00	
Profit and loss - - -	357 01	
W. V. Heard - - -	58 63	
A. Kershner - - - -	20 00	
Bank issues - - -	3,640 00	
Interest - - - - -	50 57	
New bank issues - - -	5,380 00	
Suspense account - - -	92,507 50	
H. Walters - - -	400 00	
		$210,439 91
Creditor.		
Expense account - - -	674 87	
Philadelphia Bank - -	10 65	
Bonus - - - - -	2,500 00	
J. G. Park - - - -	5 00	
H. Metcalf - - - -	30 00	
School tax - - - -	150 70	
U. R. Road & Mining Company	12,000 00	
Real estate - - - -	34,300 00	
Stocks of incorporations -	22,850 00	
J. Snively - - - -	15 39	
J. Davis - - - -	100 00	
William D. Bell - - -	50 00	
P. Hammer - - -	25 00	
J. Evans, jr. - - - -	3 53	
Mortgage account - -	62,300 00	
Tide Water money - -	1,000 00	
Cash - - - - -	21,529 25	
P. Reitrel - - - -	1,025 00	
H. D. Knapp & Company -	2 25	
Bills and notes discounted -	51,868 27	
		$210,439 91

March 22nd, 1842.

Debtor.		
Stockholders	$96,116 20	
Certificates	11,910 00	
C. Sheppard	89 49	
Profit and Loss	357 01	
A. Kershner	20 00	
Bank issues	3,265 00	
Interest	60 38	
J. Eyster	175 00	
New bank issues	5,380 00	
Suspense account	92,507 50	
H. Walters	400 00	
D. Maugans	53 60	
		210,334 18
Creditor.		
Expense account	912 37	
Philadelphia Bank	10 65	
Bonus	2,500 00	
J. G. Park	5 00	
Bills and notes discounted	51,932 76	
H. Metcalf	30 00	
School tax	150 70	
U. R. Road & Mining Company	12,000 00	
Real estate	34,300 00	
William V. Heard	20 00	
Stock of incorporations	22,850 00	
J. Snively	15 39	
J. Davis	100 00	
William D. Bell	50 00	
P. Hammer	25 00	
J. Evans, jr.	3 53	
Mortgages	62,300 00	
Tide Water money	1,000 00	
Cash account	21,099 72	
P. Reitrel	1,025 00	
H. D. Knapp & Company	4 06	
		$210,334 18

June 28th, 1842.

Debtor.		
Stockholders	$154,187 50	
Certificates	11,910 00	
William V. Heard	42 00	
Bank issues	2,665 00	
J. S. Pollard	148 90	
Interest	2 58	
New bank issues	11,290 00	
Small notes, &c.	4,400 00	
J. C. Coxen	60 00	
		$184,705 98
Creditor.		
Philadelphia Bank	10 65	
Bonus	2,500 00	
R. Logan	135 05	
J. G. Park	5 00	
Profit and loss	1,067 83	
H. Metcalf	30 00	
School tax	342 95	
U. R. Road and Mining Company	12,000 00	
Real estate	21,028 83	
Stock of incorporations	2,100 09	
John Snively	32 80	
J. Evans, jr.	3 53	
A. J. Jones	15,461 67	
Mortgages	62,300 00	
Tide Water money	1,000 00	
J. Eyster	199 92	
Cash	9,249 70	
E. Guyer	2,554 00	
P. Reitrel	1,025 00	
H. D. Knapp and Company	4 06	
Expense account	516 77	
Bills and notes discounted	52,431 34	
Gover and Purvis	706 88	
		$184,706 07

October 12th, 1842.

Debtor.		
Stockholders	$154,862 50	
Certificates	12,006 15	
Profit and loss	1,368 85	
Bank issues	25,045 00	
Deposits	3,868 47	
Interest account	7 46	
		$197,158 43
Creditor.		
Philandelphia Bank	10 65	
Bonus	2,500 00	
R. Logan	135 05	
J. G. Park	5 00	
H. Metcalfe	30 00	
School tax	342 95	
Stocks of incorporations	17,100 00	
Real estate	21,028 83	
J. Snively	32 80	
J. Evans	3 53	
J. Davis	100 00	
A. J. Jones	15,467 29	
Mortgages	62,300 00	
J. Eyster	199 92	
Cash	16,346 96	
E. Guyer	2,554 00	
P. Reitrel	1,025 00	
H. D. Knapp & Co.	4 06	
Suspense account	89 56	
Expense account	255 66	
Bills and notes discounted	56,883 70	
Gover & Purvis	36 88	
Fees account	36 55	
E. Mickle & Co.	650 00	
Carter, Gover & Co.	20 00	
		$197,158 39

Answer to the twenty-fourth Interrogatory.

Original Stockholders.	Number of shares subscribed	Amount paid.	No. of shares trans'd	To whom Transferred.
W. H. Weed,	3,500	$35,000 00	200	J. T. Guthrie.
"			10	J. A. Rench.
"			3,100	S. B. Hickcox & Co.
"			190	C. C. Murray & Co.
			3,500	
F. A. Weed,	3,100	15,500 00	3,100	J. T. Guthrie.
M. B. Sherwood,	3,000	22,500 00	2,533	S. B. Hickcox & Co.
			467	Theodore Bates.
			3000	
C. H. Williams,	30	250 00	15	C. H. Williams.
"			15	Sarah Williams.
			30	
J. Hager & Son,	10	75 00	10	J. S. Pollard & Co.
W. D. Bell, -	20	150 00	20	" "
John Newcomer,	10	75 00	10	" "
John Davis, -	20	150 00	20	" "
William Price,	10	75 00		
F. Dorsey, -	20	150 00		
J. Welty, -	20	150 00		
G. Fechtig, -	10	100 00	10	J. Eyster.
J. J. Hurly, -	10	75 00	10	J. S. Pollard & Co.
C. Winter, -	20	200 00		
P. Hammer, -	10	75 00		
M. Richenbach,	25	187 50		
G. W. Post, -	30	300 00		
Sam'l Baechtel,	100	750 00		
S. Yeakle, -	25	187 50		
G. Ross Beall,	20	150 00	20	J. S. Pollard & Co.
G. Kealhoffer,	20	150 00	20	" "

There is nothing on the books to shew in what kind of funds any of the stock was paid for.

Answer to the 24th Interrogatory—Continued.

Names of Stock-holders.	Numberof Shares.	Amount paid.	To whom transferred.
J. A. Rench, -	10	75 00	J. T. Guthrie.
J. T. Guthrie, -	30	300 00	Daniel Rhodes.
"	2	20 00	J. T. Guthrie, jr.
"	2	20 00	C. C. Murray & Co.
"	20	150 00	Daniel Rhodes.
"	150	1,500 00	C. C. Murray & Co.
"	20	200 00	J. C. Guthrie.
"	20	100 00	R. Logan.
"	10	50 00	J. R. Jones.
"	20	100 00	F. Stumbach.
"	20	100 00	A. Kershner.
"	88	880 00	J. Snively.
"	2,000	20,000 00	J. S. Espy.
"	2,000	20,000 00	S. H. Clark.
"	10	75 00	J. Seiders.
"	5	50 00	P. Petre.
"	200	2,000 00	J. Spencer.
"	4,297	42,970 00	A. J. Jones.
"	33	330 00	J. Seiders.
"	4	40 00	J. S. Pollard.
Theodore Bates,	467	3,502 50	
S. B. Hickcox & Co.	700	7,000 00	J. B. Trevor.
"	10	75 00	J. Seiders.
"	10	75 00	R. McIlhenny.
"	150	1,500 00	S. Strider.
"	2,000	20,000 00	D. Krause.
"	2,763	27,630 00	J. Snively.
"	10	100 00	G. Fechtig.
"	60	600 00	Wm. Cline.
J. B. Trevor, -	700	7,000 00	J. T. Guthrie.
J. T. Guthrie, -	2	20 00	do
G. Fechtig, - -	10	100 00	G. Keal.
"	10	100 00	D. M. Middlecauff.
"	10	100 00	J. Eyster.
"	10	100 00	Wm. V. Heard.
C. C. Murray, -	2	20 00	J. T. Guthrie.
J. T. Guthrie, -	20	200 00	do
C. C. Murray, -	340	3,400 00	J. White & Co.
"	600	6,000 00	J. Todd.
"	600	6,000 00	A. Reed.
J. Strider, - -	50	500 00	A. Neill, jr.
"	100	1,000 00	Wm. Ratcliff.
R. McIlheny, -	10	100 00	J. T. Guthrie.
J. Seiders, - -	10	100 00	do
C. Shepperd, -	20	200 00	do

Answer to the 24th Interrogatory—Continued.

J. White & Ca. -	340	3,400 00	J. T. Guthrie.
J. S. Espy, - -	2,000	20,000 00	A. J. Jones.
J. Snively, - -	94	940 00	J. T. Guthrie.
"	60	600 00	J. B. Hickcox & Co.
"	2,697	26,970 00	A. J. Jones.
D. Krause, - -	2,000	20,000 00	do
J. S. Clarke, -	2,000	20,000 00	do
A. Reed & Co. -	1,200	12,000 00	C. C. Murray & Co.
"	3,170	31,700 00	J. T. Guthrie.
A. J. Jones, - -	2,148	21,480 00	E. Guyer.
"	4,373	43,730 00	do
Wm. Cline, - -	22	220 00	Samuel McCauley.
"	30	300 00	G. W. Post.
"	8	80 00	L. O. Harne.
S. S. Williams, -	15	112 50	J. S. Pollard.
C. H. Williams,	15	112 50	do
A. Reed & Co. -	1,127	11,270 00	J. T. Guthrie.
J. Eyster, - -	10	100 00	G. Fechtig.
E. Guyer, - -	20	200 00	do
L. O. Harne, -	8	80 00	J. S. Pollard.
G. Keal, - -	10	100 00	do
J. S. Pollard, -	3	30 00	S. Newman.
"	2	20 00	R. Wise.
"	50	500 00	M. C. Clarkson.
Edwin Bell, - -	20	150 00	J. L. Smith.
J. L. Smith, - -	5	37 50	D. Barr.
"	5	37 50	C. Negly.
"	5	37 50	J. Clay.

State of Maryland, Washington county to wit:

On this 25th day of January, A. D. 1843, personally appeared before me the subscriber, a justice of the peace, in and for Washington county, Michael C. Clarkson, cashier of the Farmers and Millers Bank of Hagerstown, and made oath on the Holy Evangely of Almighty God, that the matter and facts as stated in this instrument of writing, are true to the best of his knowledge and belief. Sworn before

C. F. GELWICKS, J. P.

Answer to the seventeenth Interrogatory.

From $100 to $500, - -	$ 16,723 00
From $500 to $2,000, - -	28,041 42
From $2,000 to $5,000, - -	20,404 00
From $5,000 to $10,000, - -	13,407 00
From $10,000 and upwards, - -	147,010 00

THOMAS N. DAVIS appeared before the committee, under arrest by the sheriff of Washington county, on a writ, wherein Joseph T. Guthrie was plaintiff, and claimed the protection of the committee; whereupon the following letter was adopted:

GLOBE INN, *Jan.* 21*st*, 1843.

DAVID T. WILSON, ESQ.

SIR,—This is to inform you that Mr. Thomas N. Davis is a witness now in attendance before a special committee of the House of Delegates, appointed in pursuance of an order adopted by the said House of Delegates on the 13th instant; and that the said committee have instructed me formally to protest against the arrest of said Davis, as a contempt offered to the House of Delegates of Maryland, which I now do.

Your obd't. servant,
J. M. BUCHANAN,
Chairman Select Committee.

The chairman, together with Davis and the officer who made the arrest, waited upon the sheriff, and upon the receipt of the above note, said Davis was discharged.

GLOBE INN, *Hagerstown, Jan.* 21*st*, 1843.
8 *o'clock, P. M.*

To M. C. CLARKSON, ESQ. *Cashier:*

SIR,—In reply to your letter of this evening, I would inform you, that the select committee appointed to examine into the affairs of the Farmers and Millers Bank, will meet at No. 6 Globe Inn, on Monday morning next 10 o'clock, A. M.

The committee feel every disposition to afford to the bank every facility to rebut or explain any testimony that has been given to the committee effecting the character of the institution.

Respectfully, &c.
J. M. BUCHANAN,
Chairman Select Committee.

The following letter was handed the committee:

JNO. M. BUCHANAN, ESQ. *Chairman:*

DEAR SIR,—As much testimony has been produced to shew that I have been a defaulter to the Farmers and Millers Bank, in justice to myself, and to rebut such testimony, I would respectfully ask your committee to take the testimony on that matter of the following gentlemen, viz: J. S. Pollard, John Clay, M. C. Clarkson and Alexander Neill, jr. Esqrs., hoping you will allow me an opportunity to exhonorate myself from such charges, being grossly false.

I remain yours repectfully,
J. T. GUTHRIE.

GLOBE INN, *Hagerstown, Jan. 23rd*, 1843.
10 *o'clock, A. M.*

Committee met agreeably to adjournment—present same as before.

J. S. Pollard, Esq., President, appeared, and desired a summons for Jos. T. Guthrie and William V. Heard, which was granted, and the summons issued accordingly.

The following letter was then addressed to the cashier:

GLOBE INN, *January 23rd*, 1843.

SIR,—The select committee of the House of Delegates being desirous to bring their labors in Hagerstown to a close on to-day, would recal the attention of the cashier or other proper officers of the Farmers and Millers Bank to the fact, that the interrogatories Nos. 14, 17 and 24, highly important as they are, no answers whatever have been received. The committee deem it only necessary to mention the above, feeling satisfied that you will at once see the propriety of promptly attending to the same.

Your obedient servant,
J. M. BUCHANAN, *Chairman.*

M. C. CLARKSON, ESQ.
Cashier of the Farmers and Millers Bank.

FARMERS AND MILLERS BANK,
Monday Morning, 9 *o'clock*, 23*rd January*, 1843.

J. M. BUCHANAN, ESQ. Chairman:

SIR,—I have this moment your note of this morning, and in reply say, that I received your twenty-five interrogatories on Tuesday evening at 10 o'clock, from which time up to Saturday evening when I enclosed you answers to twenty-two of the interrogatories, my whole time was occupied in preparing these answers, and then stated to you that the interrogatories Nos. 14, 17 and 24 should be answered as speedily as possible, which will require at least three days of uninterrupted application, which it is impossible for me to give, without neglecting the daily business of the bank. The answers, however, shall be attended to as early as my other duties will permit, and forward to you at Annapolis.

Very respectfully, yours, &c.
M. C. CLARKSON, *Cashier.*

GLOBE INN, *January 23rd*, 1843.

To the President of the Farmers and Millers Bank at Hagerstown:

SIR,—Having taken all the testimony you have offered before the committee, we now inform you that we are prepared to adjourn to meet in the city of Annapolis on Thursday next, unless you have further evidence to produce.

Your obedient servant,
J. M. BUCHANAN, *Chairman.*

FARMERS AND MILLERS BANK,
January 23rd, 1843.

J. M. BUCHANAN, ESQ. Chairman:

SIR,—In answer to yours just received, I have to say that we have no further testimony to offer in behalf of the bank, and will take this opportunity of thanking the committee for the courtesy which has been shewn the officers of the bank, during the investigation, and the impartial manner in which the business of the committee has been conducted.

J. S. POLLARD.

The following letters from J. T. Guthrie, late cashier of the Farmers' and Millers' Bank, were handed to the Committee, by Mr. Thomas N. Davis, with a request, that they should accompany his statement, as corroboration of the same.

Hagerstown, July 19th, 1842.

MR. DAVIS:

DEAR SIR,—I received your note of yesterday, and did expect to have been in Washington several days since, but from unforseen circumstances I could not. I will be in Washington on Friday next, perhaps on Thursday evening, and will see you immediately on my arrival. Pollard took sick next day after his return and is not able to be about. Smith has been sick for ten days, and will not be able to visit Washington; however we need not care for that, as we can arrange our own matters, besides when I see you, I can relate to you matters better than I communicate by letter. It has took all my time since my return to attend to the Bank, besides, I have been daily waiting for money—which I cannot get now until the 10th or 15th of August. I begin to fear that I can get no money from Smith worth noticing, he having used his money in a way that I am doubtful of its being returned to him, and I now think he will have to be bought out—of all this, I can tell you better when I see you.

Your friend truly,
J. T. GUTHRIE.

Hagerstown, July 25th, 1842.

MR. DAVIS:

DEAR SIR,—I wrote you on Saturday, and did not expect to write you again, until Mr. Pollard or myself would have seen you, but necessity has compelled me to do so, in consequence of the heavy demand made upon us for the last few days, from those *damned* pirates from Pennsylvania. They held up the paper they

borrowed out until a few days ago, since when they have been seending it home rapidly. I was obliged to give the bank to-day a draft to meet some money sent up from the District to Clark, the lawyer. I drew for $110, this was sent to Gover & Purvis, with a considerable amount of Virginia money, and the bank checked on them to save our specie. Pollard will be in your city the last of the week, with his horses, and if I can leave the institution in a few days, I will come down and spend a few days with you. Smith is better, but circumstances is such that I cannot leave immediately.

You will, if you please, meet the draft and say whether you think it worth while to try to make a circulation with you. The small notes given to you all stay out, if you have paid them out, it would shew that more perhaps might be used to advantage, the money we have had to pay for stock and the money we have had to meet from those who were in possession of the concern, keeps us poor, but we will soon be through, and we shall attach their whole interest of the Pennsylvania and sell them out entirely.

Write me and say if you will be home the whole of next week.

Yours truly,

J. T. GUTHRIE.

Hagerstown, August 11th, 1841.

THOS. N. DAVIS, ESQ.

DEAR SIR,—Since you left I have had a letter from the gentleman whom I expected to go on with me to Virginia, he will no doubt be here on Friday next. I will write you on Friday, and can say to you what day we will leave. Should I not be able to leave with propriety, I can entrust him to go and make the first necessary arrangements. I will want to see you before he and I should leave, and will in my next say when. Let me know what you could do or have done in your place with our paper, in the way of produce, provided our paper was put at about one per cent. more in Philadelphia than other paper of our own neighborhood.

Please write by return of mail.

Yours respectfully,

J. T. GUTHRIE.

Hagerstown, August 13th, 1841.

FRIEND DAVIS:

Murray returned this day from Washington, and I was pleased to find you had aided him, for which you will always find me ready to reciprocate. The gentleman whom I spoke of in a former letter, will be here this evening. I have a letter received from him last night, stating he would leave Philadelphia this morning. I will write you to-morrow, and should he be here this evening

according to promise, I will be glad to see you up here immediately, as we can then fully understand ourselves as regards our future business. I am determined to push the Virginia concern, and nothing, except the want of funds, shall hinder my putting her in operation. I can give you my views more fully after I see you. I would say to you, come up immediately, but as something unexpected might detain Mr. Evans, the gentleman expected, I will therefore, advise your not coming until you get my letter of to-morrow.

Yours truly,
J. T. GUTHRIE.

Hagerstown, August 14th, 1841.

FRIEND DAVIS:

Mr. Evans has arrived here and will wait my return from Philadelphia. I am going to Philadelphia to-morrow morning, and expect to be at home on Wednesday evening. He will proceed forthwith after my return, to Virginia. I am going to Philadeladelphia solely to see a gentleman, whom I want as cashier. I will either write you from Philadelphia, or immediately on my return. There is no mistake about our being able to make our money go current. I have a letter from a broker, of high standing in Philadelphia, who has written to me, to come and see him, he wants to put our paper at par, and wishes to make arrangements with me—this is also part of my business in Philadelphia. I could not see Freaner to-day or yesterday, but will attend at all times to your wishes, and perhaps can after little, make such arrangements as may be of advantage to both of us. The Virginia concern must go on, but until I return nothing can be done. In haste,

Yours truly,
J. T. GUTHRIE.

Hagerstown, August 23rd, 1841.

FRIEND DAVIS:

I returned from Philadelphia last evening, and received yours of the 20th instant. I want you to come immediately, if you can. I wish to talk with you personally, and understand one another for future operations. I have a first rate man of high integrity, who will, in 8 or 10 days, take my place as cashier here. He stands high, and the only objection I have to him he is a little old. Of all matters we can understand each other when you come up. I wish you to come up, as I can here shew you matters, and make you understand fully, besides, it is necessary we should see each other. I saw the gentleman whom I intend to send to Virginia, he will be here this evening; it is necessary

first for one only to go out there to take the first step. I have a letter from the gentleman who led me into the notion to take hold of it, which I will shew you when you come up. I received it last night. I have nothing new here. Our concerns go on straight here, and I think you and I can manage matters to our mutual benefit. Should you not come up immediately, write by return of mail.

Truly, yours, &c.

J. T. GUTHRIE.

Hagerstown, September 6th, 1841.

FRIEND DAVIS:

I received your letter on Saturday. I was sorry you did not meet with better success. Your negroes must sell, sooner or later, and where a person is obliged to keep stock on hand, they are the best investment. Freaner has purchased a fine negro man, to be delivered this evening, he is very likely, and will sell readily—there is a sale on Friday next, in this place, by the Sheriff. I have sent you the newspaper containing the advertisement. D. Dorsey, of Frederick, sent me up some of our paper for redemption, he states he has still $400 received from Mr. Brown, of your place, and wishes me to take it up. I must do so at sight, this is part of the $1000 handed you. You will see from this, that our paper until quoted, will not circulate when put out in large amounts. All that is now wanted is to have it quoted and it will go as well as could be wished. I want you, Davis, to join me if you possibly can, we have an opportunity to do something together, if embraced at once. I am willing to make the thing mutual with you, but if entered into, must be done at once, and to do it between us, I will on my part make a heavy sacrifice. I see from a note list of E. Wigman's, of Baltimore, that he quotes our paper 10 per cent. discount. Other banks in our section 2 and 2½—this I can arrange at once, but we must have our paper bought by Miller, of Philadelphia, (that is, Bicknell's old concern,) at about ½ per cent. higher than other banks of this section of country. This once done, we can do any thing considered judicious, to retain the interest I have, and to use the advantages I possess, I must at one act, and have our paper put up; this can be done without a large amount, as we are easy at home, and no powers that now exist can press us.

The question then Davis, is, what can you and I do? I say as much and more than any other persons with the same means—but to do what must be done requires a little means temporarily, that is merely to make exchanges, and be so situated as not to return them at once or at least for a few days. I am ready to join you in this and other matters for mutual benefit, and to make the necessary arrangements, I will submit to a sacrifice, as the loss can be easily overcome, as it need not be repeated with the ad-

vantages under these circumstances, leave nothing unturned, and use me in any way to accomplish our matters, at the same time any of our notes you have on hand, bring them up with you. I want to take in every dollar of our old issue.

I have resigned the cashiership of the institution, and we have elected in my place, General Eyster, an elderly gentleman of high character. Yet my interest and influence will not by this act, be any the less. Now, Davis, say by return of mail what you can and will do, and if my aid can be made of advantage, say so. I urge this, as some things must be done before I retire from my station, that cannot be done afterwards, and until my arrangements are complete, I will act for a few days yet. I want to see you forthwith, and let us understand each other fully, and then go ahead—for all the money we can raise together, we will take the amount of our new issue and will do with it as we think best—this will put up our notes in Philadelphia and Baltimore, after which, as we will discount none here for some months, we will be able to raise our circulation and credit. Can you make arrangements to come up immediately.

Yours most truly,

J. T. GUTHRIE.

Hagerstown, October 9th, 1841.

FRIEND DAVIS:

I have received your letters. I have been absent until a couple of days ago, and have not been able to write you in consequence of a press of business. I want to see you on important business. Should I not be in Washington by Monday night, I want you, without fail, to come up to Hagerstown on Tuesday. I dont want you to pay your acceptance of $1000, but if you ever raised a dollar in your life, do it now. I want to make arrangements to go to Baltimore, and want to exchange every dollar I can—our success depends on one single move, that is, Davis, for you and I to exchange about 1000 or 1500 dollars, and then I will go to Baltimore and have our paper redeemed there at 2 or 3 per cent., and will take an interest in an exchange office myself, so that we can manage our matters without either of us appearing here at all. I have not time in this letter to give you my views, and will only say, let the acceptance go back and hold on to your money, and bring all you can up with you on Tuesday, provided, I am not with you on Monday evening. I will go with you to Baltimore, on Wednesday or Tuesday afternoon—if you bring with you $1000 we can get $2500, and if our arrangements work, we can soon do what we please with good and prudent management. Dont fail to come up and bring with you every dollar you can to exchange. I want to establish myself in Baltimore to sell the iron from our furnace, and for other matters of interest to us both if possible, but Davis, the next three days is

the rub, and you must do all you can, and if you and I can make exchanges for the next 4 or 5 days, we can after that, do what will be of interest to ourselves. We can have the loan of several thousand dollars for moneyed operations—those matters are of course confidential between us.

Your friend truly, in haste,

J. T. GUTHRIE.

Hagerstown, October 14th, 1841.

FRIEND DAVIS:

I am obliged to go to Philadelphia this evening—if I can get in the mail I shall go by way of Baltimore, but if not, must go through Pennsylvania. I am sorry you could not have come up, as I wanted you to go through Lancaster and Philadelphia with me or from Lancaster to Baltimore. I had a matter in view in Lancaster, but shall miss it now. I have not the means myself to reach it. I could have got $2500 by exchanging $1000, but I have been so strapped that I could not raise it. I have never got one cent out of your draft, and have had to redeem the whole of the $1000 given you—this has helped to use me up, and my business is such, I cannot come to see you for some days, therefore, I cant now appoint a day. I say Davis, come up or send up and exchange with the Bank here, for her new issue all you can—it will lead to a good business for you and I both. I cant as yet ask the new cashier to give me money to take away to exchange; it would shew my weakness, but it would have the right effect to exchange with him for a few times, after which they would be glad to have me use their funds for exchanges—the reason I did not want you to pay your acceptance was to save your funds to make a few exchanges, to open up our credit. Now, Davis, you speak of our matters not working right—I say do something for a little time and do it quickly—and we can do more than expected, but if I had only $1000 for a few days I could command 5 or 6 almost immediately, but this will depend on you. The new cashier and president have the new notes filled, and I want to exchange with them at first, or have you do it. Now Davis, what will you do or what can you do—*act promptly.*

Truly your friend,

J. T. GUTHRIE.

P. S. Murray has not been here since he was in Washington. He met me in Philadelphia and returned to Harrisburg—he sold all his interest here to a very wealthy and respectable gentleman of Dauphin county, and he is now engaged at the iron business, making pig metal, &c. Yours, J. T. G.

Baltimore, Friday, 15th October.

FRIEND DAVIS:

I am in this city and regret very much I cannot go over to Washington. Write me to Hagerstown, and if possible, I will go to Washington before my return. I am sorry you could not have come up to Hagerstown, as in consequence of your not doing so, a very important arrangement has fallen through, as it was necessary for me to have had a little funds, and also to have a friend to do the business with it. I will, however, Davis, try and see you in Washington, and will explain to you there—in haste,

Your friend,

J. T. GUTHRIE.

Hagerstown, October 22nd, 1841.

FRIEND DAVIS:

I only arrived here last evening. I could not possibly take the time on my return, to see you. Now Davis, to be plain, I have no time to loose; if I dont do something to fulfil my promises to the bank, in the way of making exchanges at once, my credit will be done with them, and my plans laid out, for our operations will be entirely frustrated—in the first place the bank has had to redeem the whole of the $1000 I gave you, & I have told them I would make exchanges which would make it up. It was on this account I wrote you not to pay that acceptance, but to bring the money with you here, and make exchanges for part of the amount which would have made and make all things right until I could open an office in Baltimore, after which we might get a loan of several thousand, by agreeing to protect it ourselves which, I could do by paying it out from day to day, and receiving it at a discount, we could go on in this way until we could command any amonnt, not only from the concern spoken of, but from other banks in our neighborhood, besides we could do other business of advantage to us both. I want you without fail, Davis, to come up by return of mail, and if you cant bring $1000 bring $500, and if you cannot do that, bring less to exchange: this will keep the good feeling, and I can here shew you what we must do, which if done, we can go on at once and meet our expectations. Now Davis, I will work with you in good faith and believe you will do the same: but act quick, and come up, as I have neither time nor room on a sheet of paper to give you my views, and will not do so at this time, hoping you will be here by return of mail. Your acceptance I passed to Judge Blythe, of Philadelphia, and I do not care for its payment immediately, but would rather that we would do something for our mutual interest with the money for obtaining a much greater advantage, which if it is not done at once, is forever gone. I will write to the bank after seeing you —dont fail, Davis, to come up at least, as I cannot go to see you

until you come here, after which we will understand exactly what course to pursue. Depend on me being your friend and be assured of my confidence in you, and if we work together we must rely on each other also. If we manage right we can make a good winter's work, but you must do as I direct you here and not write me, but come at sight and see me. I have been from home one week, and the bank has redeemed only $105 out of her issues in the time. I must go to Baltimore and remain there, but cant do so until you and I understand each other. When you come, stop at McSherry's. You speak in your letter of the 16th, of persons having an eye on you; of this we care not, we ask no favors of any, and are doing nothing we are ashamed of.

Truly your friend,

J. T. GUTHRIE.

HAGERSTOWN, *November 23rd*, 1842.

T. N. DAVIS, ESQ.

DEAR SIR,—We are all moving along quietly in this place; business, in the way of exchange, has been rather more brisk than usual this week. I mean in the redemption of our own paper, caused no doubt, by the numerous collections of people in town attending court, which commenced on Monday last.

I told Mr. Williams, when he left here, that I would be in your city on Saturday next, but I now find that I shall not be able to leave here before Sunday next, so that I shall not be in Washington before Monday morning, at which time you may look for me. I should like to see you when I arrive, and I shall not be in the city probably more than one day, as it is very difficult for me to leave at this time. I wish you would let Mr. Williams know that I cannot be there before Monday.

Yours truly,

J. S. POLLARD.

MEMORIAL

OF O. H. WILLIAMS, G. R. BEALL AND G. KEALHOFER, IN CONNEXION WITH THE REPORT OF THE COMMITTEE APPOINTED TO EXAMINE THE FARMERS AND MILLERS BANK OF HAGERSTOWN.

To the Honorable

The General Assembly of Maryland:

The undersigned, commissioners appointed by the Treasurer of the Western Shore of Maryland, on the 18th August 1840, to ascertain whether the sum of $75,000 in gold and silver coin, was then in possession of the President and Directors of the Farmers and Millers Bank of Hagerstown, as part of its capital stock, respectfully represent, that they have read the report of the select committee appointed by the House of Delegates, to examine into the condition of said bank, and were surprised at the conclusion to which they have arrived, in relation to our conduct in the matter, and charging us with participation in the fraud, alleged to have been committed by the agents of the bank. In charging us also, with "deceiving the Treasurer, as to the true condition of the bank, by an unfounded report." "That one of the commissioners, although a public officer of the State, aided in the fraud which was practiced to get the bank into operation, and express their opinion that his conduct, and that of his associates in the transaction, demands the severest condemnation." "That we have no excuse or palliation for our participation in the fraud." "That the due execution of the laws, as well as public morals, require that we should no got unpunished." That "the honorable post which one of the commissioners holds in an office of the State, pre-supposes *him* to have been sufficiently intelligent to have faithfully performed *his* duty iu the execution of the commission, and the security of the public demands, that an *example* should be made of him and his associates." And the committee conclude that part of the report, by submitting the matter to the House of Delegates, to "take such action as the public interest may require."

Whatever we may suppose to have been the motives or feelings towards us, that actuated a portion of the committee, in making

charges against us of so serious a character, or whatever we may feel on the subject, respect for your honorable body, prevents our making any comment which might be deemed disrespecful; but at the same time, we beg leave to protest against that part of the report of the committee, which implicates us, as being *personal in its character, unjust, and made under circumstances that gave us no opportunity for explanation, and uncalled for in the execution of the duty assigned them by the House of Delegates*, "to examine into the condition of the Farmers and Millers Bank of Hagerstown."

We further represent that, as the report of the committee has been spread on the Journal of the House, and published to the world, we owe it to the public as well as to ourselves, to address you on the subject, by stating all the facts in the case, connected with the duties required of us as commissioners, that you may judge correctly, how far we deserve the censure cast on us in the report of the committee. They are as follows:

Two certificates of special deposits of specie, then in the possession of the Farmers and Millers Bank, amounting to about $60,000, were placed in our hands, one of the certificates was signed by the Cashier of the Commercial Bank of Millington, Md., and the other by the Cashier of the Erie County Bank, of Buffalo, New York. The Millington bank at that time, was in as good credit as any of the county banks in the State, their paper being at a discount in Philadelphia, of only one half per cent., and the paper of the New York bank, from two and a half to four per cent. *premium*. See Bicknell's Reporter of that year, the January and October numbers of which we have now before us.

We will suppose, for example, that a certificate of special deposit of specie of the Bank of Baltimore, the Farmers Bank of Maryland, or the Frederick County Bank, had been presented to us, instead of the Millington or the New York bank, would we not have acted correctly in reporting to the Treasurer, that so much specie was in the actual possession of the bank?

What possible motive, we ask, could we have had in making a false report to the Treasurer? Neither of us have ever had, by loan, discount or otherwise, an accommodation in the the Farmers and Millers Bank, to the amount of one cent, during the whole of the operations of the bank, as the books of the institution, as well as the accompanying certificate of the present cashier will shew.

We further state that we consulted a distinguisheed member of the bar, at the time we made our report to the Treasurer, who considered the evidence before us, was sufficient to justify us in giving the certificate that we did; and there is now on file in the bank, and recently in the hands of the committee, the opinion of several eminent legal gentlemen subsequently given, which fully sustains the propriety of the course that we pursued, and which course we believe, from information received, has not been unusual in the establishment of other banks.

From the above representation of facts, we ask and confidently expect, that you will cause to be placed on your Journals, this our solemn protest against that portion of committee's report, which bears upon our characters and conduct as agents of the trust confided to us in relation to the establishment of the Farmers and Millers Bank of Hagerstown.

O. H. WILLIAMS,
G. R. BEALL,
GEO. KEALHOFER.

FARMERS AND MILLERS BANK OF HAGERSTOWN, MD.

I hereby certify, that there is nothing on the books of the bank, to shew that either Gen. O. H. Williams, G. Ross Beall, or Geo, Kealhofer, ever received any accommodation from the bank, either by loan or otherwise. M. C. CLARKSON, *Cashier.*

Hagerstown, February 8th, 1843.

[Document R.]

BY THE HOUSE OF DELEGATES,
February 7, 1843.

Read and ordered to be printed.

COMMUNICATION

FROM THE

TREASURER OF THE WESTERN SHORE,

RELATIVE TO THE SUBJECT OF

EDUCATION.

In obedience to an Order of the House, 20th Jan.

COMMUNICATION.

WESTERN SHORE TREASURY,
Annapolis, Feb. 6th, 1843.

To the Honorable,
The House of Delegates;

In obedience to their order of the 20th ultimo, the Treasurer presents the accompanying Statement, to shew the sources and the application of the several sums appropriated to the purposes of education. And is most respectfully,

Their obedient servant,
GEORGE MACKUBIN,
Treas. W. S. Md.

STATEMENT.

The Banks in Maryland, and the American Life Insurance and Trust Company, as required by their respective charters, pay into the Treasury, annually, 20 cents on every hundred dollars of their capital paid in. This is denominated the Free Schools' Fund. Its amount last year was $26,419 $\frac{80}{100}$, which was received and distributed as follows:

Received of—	
The Frederick County Bank, - - -	$350 00
" Bank of Salisbury, - - -	105 72
" Bank of Westminster. - - -	120 00
" Mineral Bank of Maryland, - -	200 00
" Merchants' Bank of Baltimore, - -	4,000 00
" Patapsco Bank of Maryland, - -	250 00
" Farmers and Mechanics' Bank of Frederick Co.	246 86
" Hagerstown Bank, - - - -	500 70
" Bank of Baltimore, - - -	2,398 00
" Mechanics' Bank of Baltimore, - -	1,133 64
" Cumberland Bank of Allegany, - -	225 88
" Union Bank of Maryland, - - -	3,691 13
" Farmers and Planters' Bank of Baltimore,	1,200 85
" American Life Insurance and Trust Company,	4,000 00
" Chesapeake Bank, (Baltimore,) - -	863 60
" Farmers' Bank of Maryland, - -	1,639 15
" Franklin Bank of Baltimore, - -	603 70
" Citizens' Bank of Baltimore, - -	667 88
" Farmers and Merchants' Bank of Baltimore,	983 90
" Marine Bank of Baltimore, - -	618 40
" Commercial and Farmers' Bank of Baltimore,	1,025 12
" Western Bank of Baltimore, - -	1,178 10
" Washington County Bank, - - -	224 96
" Farmers and Millers' Bank of Hagerstown,	192 21
	$26,419 80

DISTRIBUTED as follows—			
To Allegany County,	for its share for	1841,	$1,320 99
" Anne Arundel County,	do.	do.	1,320 99
" Baltimore County,	do.	do.	660 49
" Baltimore City,	do.	do.	660 50
" Calvert County,	do.	do.	1,320 99
" Carroll County,	do.	do.	1,320 99
" Charles County,	do.	do.	1,320 99
" Frederick County,	do.	do.	1,320 99
" Harford County,	do.	do.	1,320 99
" Montgomery County,	do.	do.	1,320 99
" Prince George's County,	do.	do.	1,320 99
" Saint Mary's County,	do.	do.	1,320 99
" Washington County,	do.	do.	1,320 99
" Caroline County,	do.	do.	1,320 99
" Cecil County,	do.	do.	1,320 99
" Dorchester County,	do.	do.	1,320 99
" Kent County,	do.	do.	1,320 99
" Queen Anne's County,	do.	do.	1,320 99
" Somerset County,	do.	do.	1,320 99
" Talbot County,	do.	do.	1,320 99
" Worcester County,	do.	do.	1,320 99
			$26,419 80

The equivalent to the interest of so much of the State's share of the surplus revenue of the United States, as had been, in pursuance of chapter 308, of 1837, specially deposited, to the credit of the State, in the Union Bank of Maryland and Franklin Bank of Baltimore, amounts to $34,069$\frac{3}{10}$ yearly—is also appropriated to the support of Free Schools—is charged for its payment on the revenue from the Washington Branch Rail Road—and is annually distributed as follows:

To School Fund for the indigent blind,	-	-	$1,000 00
" Allegany County,	for its share for	1842,	1,330 87
" Anne Arundel County,	do.	do.	1,575 28
" Baltimore City,	do.	do.	4,292 43
" Baltimore County,	do.	do.	2,187 78
" Calvert County,	do.	do.	1,002 52
" Carroll County,	do.	do.	1,376 95
" Charles County,	do.	do.	1,172 98
" Frederick County,	do.	do.	2,621 20
" Harford County,	do.	do.	1,429 99
" Montgomery County,	do.	do.	1,474 81
" Prince George's County,	do.	do.	1,223 98
" Saint Mary's County,	do.	do.	1,133 67
	Carried forward,		$

	Brought forward,	$
To Washington County,	for its share for 1842,	1,995 88
" Caroline County,	do. do.	1,141 85
" Cecil County,	do. do.	1,439 31
" Dorchester County,	do. do.	1,394 26
" Kent County,	do. do.	1,073 86
" Queen Anne's County,	do. do.	1,165 60
" Somerset County,	do. do.	1,433 23
" Talbot County,	do. do.	1,144 69
" Worcester County,	do. do.	1,458 22
		$34,069 36

The bank stocks, belonging to the school funds of certain of the counties, these counties have acquired by the investment of so much of their respective shares of the said tax on banks and of the said surplus revenue interest. They are kept entirely separate from those belonging to the State, both in the books of the banks and in those of the Treasury—and are as follows, viz:

Of the Farmers and Merchants' Bank of Baltimore,	$6,850 00
" Union Bank of Maryland,	6,525 00
" Mechanics' Bank of Baltimore,	9,345 00
" Commercial and Farmers' Bank of Balt.	29,300 00
" Bank of Baltimore,	8,100 00
" Farmers' Bank of Maryland,	83,800 00
Amount,	$143,920 00

And they belong to the following counties, viz:

To Anne Arundel County,	$13,920 00
" Baltimore County,	7,100 00
" Calvert County,	12,810 00
" Caroline County,	3,500 00
" Carroll County,	7,150 00
" Cecil County,	4,850 00
" Dorchester County,	5,805 00
" Frederick County,	19,005 00
" Harford County,	6,685 00
" Kent County,	5,055 00
" Montgomery County,	17,430 00
" Prince George's County,	6,750 00
" Queen Anne's County,	5,985 00
" Saint Mary's County,	3,450 00
" Somerset County,	4,350 00
" Talbot County,	9,025 00
" Washington County,	6,050 00
" Worcester County,	5,000 00
	$143,920 00

Besides the foregoing, there are annual appropriations for the support of the several colleges, academies, and schools in the State, together amounting yearly to $19,900. These donations are payable out of the general revenue of the State not particularly appropriated, and are not charged upon any fund or specific branch of revenue.

[Document S.]

BY THE HOUSE OF DELEGATES,
February, 10th, 1843.

Read and ordered to be printed.

REPORT

OF THE

COMMITTEE OF INTERNAL IMPROVEMENT,

ENCLOSING A

Communication from the Chesapeake and Ohio Canal Co.

In obedience to an Order of the House, 23rd Jan.

COMMUNICATION.

OFFICE CHESAPEAKE AND OHIO CANAL CO.

Frederick, Feb. 7th, 1843.

To the Hon. WM. V. BUSKIRK,

Chairman of the Committee of Internal Improvement of the House of Delegates, Md.

Sir,—I have the honor to acknowledge the receipt of your letter of 23rd ult., on yesterday, enclosing a series of resolutions adopted by the House of Delegates on the 16th same month, embracing certain inquiries, which you request me "to answer so far as concerns the Chesapeake and Ohio Canal Company."

In reply, I beg leave to state, that the information called for by the first, second, and fifth orders, so far as relates to this company, down to Dec. 1, 1839, will be found in two reports from the Committee of Internal Improvements to the House of Delegates—the one being Document KK. and the other LL.—of December session 1839. Since that period no agent has been employed, or authorised to be employed to render service to the company by attending during the past sessions—nor has this company employed any such to attend this present session of the General Assembly.

During the last winter two members of the Board of Directors, at the request of the Board, attended at Annapolis for several weeks, to furnish such information as might be needed to mature a Bill for the completion of the Canal; and their necessary expenses were paid therefor, to the amount of one hundred dollars each; but no extra compensation was asked or allowed them. I believe, though I have no official information on the subject, that a like request was made this year of some of the Directors by the Board, that, if they could conveniently do so, they would attend at Annapolis, for a few days, for a similar purpose; it being understood that their necessary expenses should be paid by this company.

By reference to paper marked B, accompanying this letter, it will be seen what amount has been paid to "legal counsel" by this company since December 1, 1839, being, with a few exceptions, for services rendered prior to that date, and for services, without exception, in prosecuting or defending suits in which this company was concerned, or in obtaining condemnation of land for its purposes, under its charter.

By order of the 4th of March, 1840, it was agreed that W. Price, Esq., should receive two hundred dollars for services rendered this company in a suit against it in Washington county, Maryland, by William Grove; the suit involving important principiples, as concerned the company. That sum has now been paid.

On April 13th, 1842, the Board agreed to accept drafts upon this company from J. Mason Campbell and David Stewart, Esq'rs., each for $50, payable 12 months from date, for services rendered this company in a suit against it in Baltimore by Jacob Albert, relative to some stock negotiation, sometime previous.

In addition, it is believed, that other counsel have claims against this company for services in prosecuting suits, or defending such, in which this company was or is a party, but those claims have not been presented yet, nor any compensation been agreed upon or fixed by the company.

On the 23rd of December 1841, Col. J. M. Coale, was appointed general counsel of the company—charged with supervision of all suits in which the company is or shall be concerned; the preparation of all legal papers required by the company, and giving advice whenever requisite. So far he has received no compensation, but on the 12th ultimo, his compensation was fixed at the rate of five hundred dollars per annum.

In reply to the 6th order, I beg leave to refer you to paper C, accompanying this communication, which contains in detail, what has been already communicated to your honorable House, succinctly in the papers marked D and E, accompanying the communication of the President and Directors of this company to the Governor of Maryland, bearing date December 2nd, 1842, and which has since been laid before the House of Delegates by the Governor.

The paper herewith marked C, already referred to, gives the names of each officer or agent in the employ of this company, (and of his compensation per year,) at this date—being the same in every respect, as on the 30th of November 1842, (the date of papers D and E, above referred to,) with the exception of one new lock keeper, appointed in the place of one since resigned, and also the change in the president.

Mr. Sprigg having on the 3rd December last resigned, the stockholders on that day, allowed him, in addition to his salary, "the sum of five hundred dollars, in consideration of the great reduction made in his salary as president, as a remuneration for his travelling and incidental expenses during the time the said salary was reduced."

On the same day, General W. Gibbs McNeill was elected president, with a salary of six thousand dollars, provided no part of said salary shall be paid unless funds were procured for the completion of the canal, and with the condition that he shall devote his exclusive attention to the company.

"No extra pay or additional compensation, "other than that already named in the case of the president," has been paid or given, or contracted to be paid or given, to any agent or officer in the employ of the company."

Believing the foregoing to be as full and specific as contemplated by the orders, and at the same time as comprehensive and accurate as I could make it.

I have the honor to remain your ob't serv't.

THOMAS TURNER,
Clerk Ches. and Ohio Canal Co.

(B.)

STATEMENT,

Exhibiting the amounts paid to, and the names of Legal Counsel, for services rendered (as also the nature of the services) to the Chesapeake and Ohio Canal Company, since December 1, 1839.

To Francis S. Key, Esq.,	in	1840,	$300	For attending and arguing case Supreme Court U. S. at suit of Jos. Smith.
" Walter Jones,	"	"	300	
" Andrew Hunter,	"	"	300	Attending to inquisition for acquisition of bonds.
" Fr. A. Schley,	"	"	235	Appearance in sundry suits, and attending to inq. for acq. of bonds.
" Wm. Price,	"	"	255	—For similar services.
" Cl. Cox,	"	1841,	60	— Do. in D. of Col.
" Wm. P. Maulsby and Geo. G. Belt, Esqrs.		"	250	In suit of McLaughlin against this company in Circuit Court U. S. Baitimore, Maryland.
" Cl. Cox,	"	1842,	156	Fees and commission in suits for stock and agency bonds in D. C.
" J. Thomson Mason,		"	100	Services in sundry suits in Washington county, Maryland.

Test,

THO. TURNER,
Clerk of Ches. and Ohio Canal Co.

Office of the Chesapeake and Ohio Canal Company,
Frederick City, Md. Feb. 7, 1843.

(C.)

LIST

Exhibiting the names of Officers and Agents in the service of the Chesapeake and Ohio Canal Company on this 7th day of February 1843, *and their respective compensation per annum.*

William Gibbs McNeal,	President,	$6,000
J. M. Coale, J. O. Wharton, T. Tilghman, William Price, D. Burkhart and J. P. Ingle,	*Directors*,—$4 per day whilst actually employed, not to exceed $300 each.	
Thomas Turner,	Clerk,	$1,500
Robert Barnard,	Treasurer,	1,200
Charles B. Fisk,	Chief Engineer,	2,000
J. Y. Young, W. S. Elgin, J. G. Stone,	Superintendents, each	800
B. F. Mackall,	Collector of Tolls,	600
Henry Jamison,*	do.	250
W. S. Elgin,	do.	300
R. Stake,	do.	300
A. Blackwell,	do.	300
J. B. Hilton,	Lock-keeper,	50
E. O'Riley,	"	600
F. Metz,	"	250
J. Dalzell,	"	150
James Wilburn,	"	150
L. Barrett,	"	150
O. S. Crawford,	"	200
W. Burgess,	"	150
A. Larman,	"	250
H. Metz,	"	276
W. W. Henderson,	"	276
D. Collins,	"	200
R. C. Fields,	"	150
J. Fields,	"	150
J. Manley,	"	200
C. H. Marks,	"	150
A. Aud,	"	250
J. Fitch,	"	150
S. Walter,	"	150
J. Davis,	"	150
J. Walter,	"	175
D. Harrison,	"	175
W. Kuhn,	"	100

* Note—The officer of collector at Point of Rocks is abolished after the 18th of April next.

A. W. Jones,	Lock-keeper,	175
J. Crowley,	"	175
W. McKay,	"	300
J. Kirchivile,	"	150
G. Hughes,	"	200
J. Gwynn,	"	150
A. McCoy,	"	150
L. R. Shaw,	"	150
H. Boyd,	"	200
M. Crisman,	"	150
J. Hollman, use of water power at lock, valued at		150
J. Motter,	"	150
J. Herbbert,	"	200
D. Brewer,	"	300
N. Rowland,	"	200
H. Conner,	"	150
J. Finney,	"	175

Test, THOMAS TURNER,
Clerk Ches. & Ohio Canal Co.

OFFICE CHES. & OHIO CANAL CO. FEB. 7, 1843.

[Document T.]

BY THE HOUSE OF DELEGATES,
February 13th, 1843.

Read and ordered to be printed.

COMMUNICATION

FROM THE

TREASURER OF THE WESTERN SHORE,

TO THE

HOUSE OF DELEGATES,

In obedience to their order of the 4th Feb.

COMMUNICATION.

WESTERN SHORE TREASURY,

Annapolis, 11th, Feb. 1843.

To the Honorable,

The House of Delegates:

In obedience to their order of the 4th inst., the Treasurer furnishes the accompanying List of the Debts of the State—shewing when each debt was created—for what object—the rate of interest borne by each—and by what enactments they were respectively contracted.

Of the whole amount, $8,857,666 67 are secured by sterling bonds, and $6,353,727 27 by currency bonds or certificates. How much by either, can be learned only from the books of the Loan Office in Baltimore.

The whole of the avails of these debts, is understood to have been applied to the purposes for which they were created, except $3,175,000 of the $3,200,000 the service of the Baltimore and Ohio Rail Road Company.

Most respectfully,

Their obedient servant,

GEORGE MACKUBIN,

Treas. W. S. Md.

A LIST

Of Funded Debts contracted by the State, as of 1st December, 1842.

DEBTS.			AMOUNT.		FOR WHAT PURPOSE INCURRED.
5 per cent. debt,	per ch. 88 of 1821,			80,000 00	For the service of the Medical Department of the [Baltimore University.
	per ch. 150 of 1821,		27,947 30		
	per ch. 229 of 1826,		30,000 00		
	per ch. 308 of 1834,		20,000 00		
6 per cent. debt,	per ch. 300 of 1836,		20,000 00		
				97,947 30	For the service of the Maryland Penitentiary.
5 per cent. debt,	per ch. 252 of 1826,		48,000 00		
6 per cent. debt,	per ch. 350 of 1835,		30,000 00		
				78,000 00	For acc't. of the State's Tobacco warehouses in Balt.
5 per cent. debt,	per ch. 165 of 1829,			10,000 00	For account of the Washington Monument in Balt.
	per ch. 104 of 1827,	256,189 00			
	per ch. 46 of 1830,	115,811 00		215,947 30	
	per ch. 105 of 1833,	125,000 00			
			497,000 00		
Sterling 5 per cent. debt,	per ch. 386 of 1838,		3,200,000 00		
				3,697,000 00	For the construction of the Balt. & Ohio Rail Road.
5 per cent. debt,	per ch. 33 of 1833,			500,000 00	For the construction of the Balt. & Wash. R. Road.
	per ch. 105 of 1827,	262,500 00			
	per ch. 46 of 1830,	234,500 00			
			497,000 00		
	per ch. 239 of 1833,		125,000 00		
6 per cent. debt,	per ch. 241 of 1834,		2,000,000 00		
	per ch. 395 of 1835,		35,000 00		
Sterling 5 per cent. debt,	per ch. 386 of 1838,		3,162,666 67		
	per ch. 396 of 1838,		1,375,000 00		
				7,194,666 67	For the construction of the Ches. & Ohio Canal.
~~4½ per cent. debt,~~	~~per ch. 119 of 1830,~~		100,000 00		
6 per cent. debt,	per ch. 241 of 1834,		1,000,000 00		

A LIST,—Continued.

DEBTS.		AMOUNT.		FOR WHAT PURPOSE INCURRED.
3 per cent. debt,	per ch. 302 of 1837,	500,000 00		
5 per cent. debt,	per ch. 395 of 1838,	88,710 92		
6 per cent. debt,	per ch. 20 of 1839,	543,334 32		
			2,232,045 29	For the construction of the Balt. & Susq'a. R. R.
Sterling 5 per cent. debt,	per ch. 386 of 1838,	60,000 00		
Currency 6 per cent. debt,	per ch. 12 of 1839,	159,378 41		
			219 378 41	For the construction of the Ann. & Elkridge R. R.
Sterling 5 per cent. debt,	per ch. 416 of 1838.		1,000,000 00	For the construction of the Susq. & Tidewater C.
Sterling 5 per cent. debt,	per ch. 386 of 1838,	60,000 00		
Currency 5 per cent. debt,	per ch. 323 of 1839,	81,055 90		
Currency 6 per cent. debt,	per Res. No. 6 of Mar. Sess., 1841.	11,300 37		
			152,356 27	For account of the Eastern Shore Rail Road.
			$15,211,393 94	

[Document U.]

BY THE HOUSE OF DELEGATES,
February 16th, 1843.

Read and ordered to be printed.

REPORT

OF THE

Directors of the Baltimore and Ohio Rail Raod Company,

In obedience to an Order of 28th January, 1843.

REPORT.

To the President and Directors of the Baltimore and Ohio Rail Road Company:—

The committee chosen at the last meeting of the board, in consequence of an order passed by the House of Delegates of Maryland, on the twenty-eighth day of January last, present the following report:

The order of the House of Delegates is in the following words:

"Ordered, That the Baltimore and Ohio Rail Road Company be requested to inform this House, how long Louis McLane, Esq. has been President of that corporation, and what amount of compensation he has received for salary, extra allowance, or in any other manner, so as to shew the aggregate sum received by the said Louis McLane, Esq. from said company, and the space of time in which he performed the services, for which such compensation was paid; and whether the amount of officers' salaries have been increased or diminished since the present President of the Company came into office, and to what extent, and whether the number of officers have been increased or diminished, and to what extent."

The resolution under which your committee has acted, clearly defines their duties, and is as follows:—

"Resolved, That the order of the House of Delegates, passed the 28th January 1843, and now communicated to the board, be referred to a committee of three directors, to be chosen by ballot; and that they be instructed to inquire into what extent the several communications heretofore made from the Executive officers of the company, in obedience to previous orders of the Senate or House of Delegates, contain the information called for by the present order, and to report to the board a statement comprising a suitable answer thereto."

Your committee have examined the minutes of the board heretofore, and it appears to them thereform, that the information now sought by the above order, has on three several occasions before this, been transmitted to the House of Delegates, in pursuance of orders from that body; first, in answer to an order passed on the twentieth day of January 1840, again on the twenty-third day of February in the year 1842, in reply to an order of 19th February in the same year, and lastly on the twenty-fourth day of January last, and during the present session, when the order of the House of Delegates passed on the sixteenth day of that month was fully answered in detail. The answers to the first and third of the orders here mentioned, were furnished by the president; the se-

cond, the president being at that time ill and unable to transact business, was furnished by the secretary. The present order differs from the foregoing, in requiring the information to be furnished by *the board.* The committee have examined the answers to the three orders first above mentioned, and find them to contain all the information necessary to a satisfactory reply to the first branch of the present order, and also in minute, detail the facts which are needed to answer the second branch thereof; and the committee recommend, that copies of the several foregoing answers, along with the reports of the officers of the company referred to in them, be transmitted to the House of Delegates.

The committee will add, that the salary of the president of the company is $6,000, per annum; was fixed at that sum before the present president was elected, which he has received regularly from the first day of July 1837. The extra allowance made to him was $8,000, on the occasion of his going to Europe at the solicitation of the board, to endeavour to make available for the prosecution of the work westward, the bonds of the State of Maryland, which under the act of 1836, chap. 386, had been delivered to the company in payment of the State's subscription.

The committee have annexed in the appendix, the minutes of the board relating to the appointment of the president, and also the proceedings in relation to the extra compensation allowed to the president for his visit to Europe, on the business of the company, and the correspondence with him, including the letter addressed to him by the committee appointed for that purpose, which has not heretofore been presented to the Legislature.

The second branch of the recent order of the House of Delegates inquires, "whether the amount of officers' salaries has been increased or diminished since the present president of the company came into the office; and to what extent, and whether the number of officers has been increased or diminished, and to what extent.

In reply thereto, the committee present a report and tabular statement furnished by the superintendent of machinery and repairs, shewing the number of officers employed at various times in the construction and management of the road, with their respective salaries from the years 1836 to 1843 inclusive, and which embraces, as the committee believe, all the information required by this branch of the order.

JAMES HARWOOD, *Chairman.*
JAMES CARROLL,
SAMUEL I. DONALDSON.

Baltimore, February 14th, 1843.

The committee offer the following:

Resolved, That the report and the accompanying documents be transmitted to the Speaker of the House of Delegates, as an answer to the order passed by that body on the 28th January 1843.

I certify the foregoing to be a true copy, J. J. ATKINSON,
Secretary of the Baltimore & Ohio Rail Road Co.

ENGINEER'S OFFICE, BALT. AND OHIO RAIL ROAD,
Baltimore, February 10th, 1843.

To JAMES HARWOOD, ESQ.
Chairman of Committee, &c. &c.

SIR,—I have to acknowledge the receipt of the following order passed by the House of Delegates on the 28th ultimo:

"Ordered, That the Baltimore and Ohio Rail Road Company be requested to inform this House, how long Louis McLane, Esq. has been president of that corporation, and what amount of compensation he has received for salary, extra allowances, or in any other manner, so as to shew the aggregate sum received by the said Louis McLane, Esq. from said company; and the space of time in which he performed the services for which such compensation was paid; and, whether the amount of officers' salaries have been increased or diminished since the present president of the company came into office, and to what extent, and whether the number of officers has been increased or diminished, and to what extent."

In obedience to instructions I have prepared, in answer to the latter clause of said order, the accompanying tabular statement, which, together with the following explanations and remarks, I respectfully beg leave to submit.

In preparing the "tabular statement," I have as far as practicable, separated the engineer department, as connected with the construction of the road, from the departments necessary for the efficient and economical working of the road when finished.—This was deemed necessary in order to shew clearly the relative economy in the working of the finished parts of the road between former and late years; my explanation and remarks will therefore be divided under two general heads, viz:

The engineer department charged with the surveys, location and construction, and the departments for working the roads which are subdivided into three minor departments, viz: a department of accounts, a department of transportation, and a department of repairs.

I.—ENGINEER DEPARTMENT.

On the first of July 1837, the engineer department was composed of seven officers, as designated in the table, and was principally engaged in making surveys with a view to the extension of the road to the Ohio river. During the winter of '37 and '38, surveys were made with a view to the re-location of parts of the old road east of Harpers Ferry. On the 1st of April, 1838, the officers in this department had been increased one in number, and were still engaged in duties relating to surveys for the extension of the road to the Ohio river, and the re-construction of portions of the road east of Harpers Ferry.

At this date the repairs of the road were confided to the engineer department, and their superintendance devolved specially upon the engineer of location and construction, who discharged the duties of that office in person till the first of the ensuing December, when owing to the demand for his almost undivided attention to the surveys for the extension of the road, they were transferred to the assistant engineer of re-construction. The engineer of location and construction continued however, to exercise a general supervision over the repairs of the road till the 1st of October, 1840. During a part of the summer of 1838, and the winter of 1838 and '39, there were seven parties in the field engaged in making preliminary surveys, and surveys of location; three of these were detailed to the construction of road between Harpers Ferry and Cumberland early in the summer of 1839. The local engineers on re-construction were discontinued early in this year.

On the first of January 1840, there were four parties in the field engaged in making surveys of location between Cumberland and the Ohio river, and three division engineers, with their sixteen assistants of various titles as designated in the table, were engaged in the construction of road between Harpers Ferry and Cumberland.

The four parties engaged in making surveys were disbanded in the ensuing March. The number of division engineers on construction was reduced to two, and that of their assistants to twelve, early in the fall of 1840.

From this time, excepting that the salaries of the two division engineers were increased from $1,500 to $1,600 per annum each, from the first of February, 1841, there was no changes made in the number, grade, or pay of officers in this department till the 1st of April 1842, when the then chief engineer retired from the service, and when one of the resident engineers was dispensed with. Five others were dispensed with on the 1st of June, five on the 1st of October, and one on the 1st of January 1843. Of the division engineers, one was dispensed with on the 1st of October, and the other on the 15th of December last; since the 1st of April last the duties and title of chief engineer have devolved upon the engineer of location and construction.

On the 1st of February, 1843, the engineer department as connected with construction, was composed of the chief engineer only.

II.—DEPARTMENTS FOR WORKING ROAD.

First.—*Department of Accounts.*—On the 1st of July, 1837, the department of accounts was composed (as designated in the table) of one treasurer, one secretary, one clerk and one counsel; the disbursements, however, were made by the officers at the heads of the several departments. By the 1st of April 1838, a change had been effected in this department, so as to have all payments, as far as practicable, made directly by the secretary in the

office of the company, hence the necessity for the employment of an additional clerk or book-keeper.

In consequence of the resignation of the treasurer, and the duties of this officer having fallen upon the secretary, an increase of the salary of the secretary equal to that paid the treasurer was made, thereby making that officer's salary $2,000 per annum from the 1st of October, 1838, since when, up to the present time, there has been no change in this department.

SECOND. *Department of Transportation.* On the 1st of July, 1837, this department was composed (as designated in the table) of one superintendent, nine depot agents, one collecting agent, five clerks, one agent and one assistant agent in the streets in Baltimore, one agent for the procurement and preparation of fuel, one superintendent of the planes, one engineer of machinery, one supervisor of engines and horses, and one master carpenter, in all twenty-three officers and agents, receiving in the aggregate at the rate of $16,223 per annum. At this time the repairs of the locomotive engines of the company were done by contract under the general directions of the superintendent of transportation, and immediate supervision of the engineer of machinery and supervisor of engines and horses.

The cost for repairs of locomotives under this system, as is shewn by the books of the company, being (at the rate of $14\frac{2}{10}$ cents per mile fot each mile run by them,) much greater than it was supposed would be sufficient under a different arrangement, a change was therefore effected, so as to have the repairs done by the company in their own shops, under the immediate direction of an experimental foreman, and the general direction of the superintendent of transportation, thereby abolishing the offices of engineer of machinery and supervisor of engines. The change thus effected, *i. e.* to have the repairs done by the company in their own shops under the control of a proper officer, instead of having them done by contract, as had been the care, was found to be productive of the best results, as is evidenced by the fact that the cost for repairs of locomotives during the year just past (1842,) has been at the rate of but seven cents per mile for each mile run by them, being a saving of $7\frac{2}{10}$ cents per mile run, over the former mode.

On the 1st of April, 1838, the same number of officers existed in this department as upon the 1st of July, 1837, though the aggregate rate per annum of their salaries was nearly $1,000 less.

On the 1st of July of this year, the salary of the superintendent of transportation was increased from $1,500 to $2,000 per annum. One extra depot agent at $800 per annum was appointed on the 1st of November. The salary of one depot agent at $600 was reduced to $540 per annum on the 1st of October. The salary of collecting agent from $720 to $600 per annum on the 1st of November. The salary of one clerk increased from $420 $480 per annum December 1st., and one other from $240 to $300 per annum on the 1st of May. And in lieu of the engineer of machinery at $1,500, and of supervisor of engines and horses at

$1,000 per annum, in the service of the company on the 1st July, 1837, there was appointed previous to 1st of April, 1838, one foreman of machine shops at $1,000, and one supervisor of stock at $540 per annum.

During the year commencing January 1839, three depot agents, one at $800, one at $420 and one at $400 per annum, were dispensed with, and the salary of one at $800 increased to $1000 per annum. The office of superintendent at the planes was abolished on the 1st of September. The salaries of the foreman of the machine shops and the supervisors of horses were increased, that of the former from $1,000 to $1,200, and of the latter from $540 to $600 per annum in the month of March, and all agents connected with the repairs of machinery were transferred to the department of repairs on the 1st of July, upon which date the general superintendence of the repairs of machinery was confided to the officer having immediate charge of that department. On the 1st of November of this year, the offices of agent for the procurement and preparation of fuel and that of inspector of lumber were continued, by which one agent was dispensed with.

On the 1st of January, 1840, there were in this department nineteen officers (one of whom devoted but one half of his time to this department) with an aggregate rate of pay of $12,650 per annum—which number was further reduced by the discontinuance of one depot agent at $540 per annum on the 1st of February. On the 1st of May of this year, the salary of the superintendent of horses was increased from $540 to $700 per annum.

On the 1st of January, 1841, the number of offiers and agents was eighteen, (one of whom only one-half chargeable to this account as in 1840,) with an aggregate rate of pay of $12,270 per annum; this was further reduced by dispensing with one depot agent at $800 per annum on the 1st of September.

One clerk and the assistant agent in the streets of Baltimore at $480 each, per annum were dispensed with, and the salaries of one depot agent was reduced from $800 to $500, of one clerk from $600 to $500, and one other from $540 to $500 per annum on the 1st of July—and that of the superidntendent of stock from $700 to $600 per annum on the 1st of April.

On the 1st of January 1842, the number of officers and agents in this department had been reduced to fifteen (half of one salary as in 1840 and '41) with an aggregate rate of pay of $9,970 per annum. On the 1st of February of this year the salary of one depot agent at $500, was increased to $700, and of one clerk at $480 to $500 per annum, and one depot agent at $240 per annum was appointed on the first of March.

Since the completion of the road to Cumberland there have been appointed one additional depot agent and two clerks.

On the 1st of February, 1843, the number of officers and agents (excepting the conductor of trains, who have been omitted for reasons hereinafter given) in the service of the company in this

department is nineteen, (half of one chargeable as before) at an aggregate rate of pay of $12,330 per annnm.

The conductors of trains have been omitted in the "tabular statement" for the reason that the number employed is wholly dependant upon the number of trains requisite for the accommodation of the trade and travel upon the road, and that they are not paid except for the time they are actually in service. It may be well to remark however, that a considerable saving has been effected by placing each series of burden trains under the control of one man, denominated the way conductor, at a reduced salary, and substituting breaksmen at $30 per month, instead of $55, the rate of pay for tonnage conductors under the old system. The way conductors are now paid at the rate of $40 per month.

THIRD.—*Department of Repairs.* On the 1st of July, 1837, this department was composed of seventeen officers and agents, as designated in the table, at an aggregate rate of pay per annum of $11,250. Two of whom, the general superintendent and one of the supervisors on the Washington Branch were dispensed with on the 1st of April 1838, upon which date the department of repairs was confided to the engineer department.

On the 1st of April 1838, there were sixteen officers and agents in this department, (two-thirds of the salary of one of them was chargeable to other accounts) at an aggregate rate of pay of $9,590 per annum. On the first of December of this year, in consequence as before stated, of the engineer of location and construction, being called to give his whole attention to the surveys, west of Harpers Ferry, these duties were combined with those of the assistant engineer of re-construction.

On the 1st of January 1839, there were in this department seventeen officers, at an aggregate rate of pay per annum of $11,810.

The repairs of machinery were confided to the officer in immediate charge of this department on the 1st of July, 1839. And in consideration of the increased duties, his salary was increased from $1825 to $2000 per annum. During this year on November 1st, one half of the salary of inspector of lumber was saved to this department by the combination of this office with that of agent for procuring fuel, before alluded to.

On the 1st of January 1840, there was, inclusive of those for repairs of machinery, twenty officers and agents in this department, (half of one of whom was chargeable to other accounts) at an aggregate rate of pay per annum of $13,995.

On the 1st of April of this year there were four supervisors of repairs dispensed with. And after October 1st 1840, no part of the salary of the engineer of location and construction was chargeable to this department.

On the 1st of January 1841, the number of officers in this department was fifteen, at an aggregate salary of $10,810 per annum. On the 1st of July of this year the travelling supervisor was discontinued—after which no change takes place till the 1st of April 1842—when two of the local supervisors were dispensed with;

no further change was then made till the completion of the road to Hancock, (1st of June) when two additional supervisors were employed and two others, on the completion of the road to Cumberland, (1st of November) together with one master mechanic, making the whole number of officers and agents now in this department eighteen, (though one of these devotes only half his time to duties connected with repairs) at an aggregate rate of pay of $11,930 per annum.

In conclusion I would remark, that by reference to the footing up of that part of the table for the working of the roads, it will be seen that no permanent reduction in the number and aggregate salaries of the officers and agents was effected till after the first of January 1840. This was owing to the very dilapidated and deranged condition of the road and its appendages, in consequence of which greater energy and efficiency, and more close and adequate supervision was indispensably necessary to put them in an efficient condition; by that time however, the salutary measures which had been adopted from time to time since 1837, began to be made manifest, and seemed to warrant some reduction, and it will be seen that from that time up to the completion of the road to Cumberland, (when four additional supervisors and one master mechanic were required) the reduction has been gradual and considerable in amount.

It seems to me, however, that justice cannot be done to this subject without travelling much beyond the limits prescribed by the order, in obedience to which this report is prepared, as it is most apparent and will be conceded by all those conversant with such matters, that as a general rule, the most economical management in such cases consists in having an adequate number of efficient and experienced agents; to whom sufficient compensation must be paid to command their undivided attention. The most just comparison in this particular case, would seem to me to be, that, between the general results of former and late years, and for the purpose of instituting this comparison, though it may seem to exceed the limits prescribed. I will take the liberty of referring you to my report, and its accompanying statements, of the 29th of April last, made in obedience to a resolution of the board of directors on the 13th of that month.

All of which is respectfully submitted,

JAMES MURRAY, *Sup't. of Machinery and Repairs, Balt. and Ohio Rail Road.*

specified.

veral d

JARY 1st, 1843.

E NUM.	AGGREGATE PER ANNUM.

ATE NUM.

BU

ent of Ohio Rail Road Company at the several dates

General Department.	Sub Department.		1841.		JANUARY 1st, 1842.		
			AGGREGATE PER ANNUM.	No.	RATE PER ANNUM.	AGGREGATE PER ANNUM.	No.
ENGINEER DEPARTMENT.			NNUM.				
			$3,000 00	1	$2,000 00	$2,000 00	1
		A					
		D					
		R					
		As					
		Of					
		Of					
THE ROAD.	DEPART. OF AC'TS.	Tr					
		Se					
		Bo					
		Cle					
		Co					
		Sup					
		Dep					
		D					

Copy of a letter to the Chairman of the Committee on Internal Improvement, dated 23rd of February, 1842.

OFFICE OF THE BALT. AND OHIO RAIL ROAD,
February 23rd, 1842.

To W. V. BUSKIRK, ESQ.
Chairman of committee on Internal Improvements.

SIR,—The president of this company being sick and confined to his bed, I have your communication of the 19th instant, containing the following order of the House of Delegates before me:

"Ordered, That the committee on Internal Improvements be directed to inquire of the President of the Baltimore and Ohio Rail Road Company, of the President of the Chesapeake and Ohio Canal Company, and of the President of the Susquehanna Rail Road Company.

"1st. The number of officers annually in the employment of said companies, since the 1st January, 1838, with tables annexed, shewing the names and salaries of said officers respectively, and the particular station held by each individual in the several years of 1838, '39, '40 and '41.

2nd. "What officers of said companies have received extra allowances, and what amounts have been paid or stipulated to be paid to each of said officers respectively, and for what purpose."

In answer, I have prepared, and herewith transmit to you a copy of a letter of the president, dated 20th January, 1840, to the then chairman of the committee on Internal Improvement of the House of Delegates, and also copies of the documents which accompanied that letter.

The changes which have been made, since that period, are the following, viz:

1st. The salary of the depot agent at Washington has been increased $200 per annum.

2nd. The salary of the depot agent at Harpers Ferry has been reduced $300 per annum; and his clerk, whose salary was $420 per annum, dispensed with.

3rd. The two offices of passenger and tonnage agents have been united into one, by which a saving of $800 per annum has been made.

4th. The salaries of two clerks in the transportation department have been reduced $240 per annum.

5th. The parties on surveys west of Cumberland, have been disbanded, by which an expenditure of $7,500 per annum is done away with.

6th. The number of division engineers between Harpers Ferry and Cumberland has been reduced from three to two, by which there is a saving of $1300 per annum.

7th. Four resident engineers whose aggregate amount of salaries was $4000 per annum, have been dispensed with.

8th. Four local engineers on reconstruction, salaries $3,640 per annum, dispensed with.

9th. The department of machinery has passed into the hands of the principal assistant engineer, and the principal machinist salary has been reduced $200 per annum.

By these changes, you will observe, the aggregate annual expenditure of the company has been lessened $18,200.

(Signed) J. J. ATKINSON, *Secretary.*

I certify that the within is a true copy.

J. J. ATKINSON, *Secretary of the Balt. and Ohio Rail Road Company.*

15*th February*, 1843.

Copy of the letter to the Chairman of the Committee on Internal Improvement, 24th January, 1843.

OFFICE OF THE BALT. & OHIO RAIL ROAD CO.

January 24th, 1843.

To W. V. BUSKIRK, ESQ. *Chairman of the committee of Internal Improvement of the House of Delegates.*

SIR,—I received on the 20th your letter of the 19th instant, transmitting a copy of an order passed by the House of Delegates on the 16th instant, in the following words:

"Ordered that the committee on Internal Improvement, inquire of the president, and if necessary other officers of the said companies of this State:

First—The name of all such individuals as have been employed, or authorised to be employed, by the said companies, the amount of compensation paid to, allowed or claimed by such persons for services rendered during the past sessions of the General Assembly of this State, together with the services stipulated to be rendered, by such persons during the past sessions.

Second—Whether any of the said companies have employed or intend employing any individuals to attend the present General Assembly, and if so, their names, the services stipulated for the amount of compensation offered or demanded.

Third—What amount of free tickets have been authorised or issued by the president, directors, or other officers of the Baltimore and Ohio Rail Road Company.

Fourth—Whether the Baltimore and Ohio Rail Road Company have not paid out in the State of Maryland, the money of other States at its par value, and afterwards refused to receive such monies for transportation of passengers, produce or minerals, except at a discount.

Fifth—The names of all such persons as have been employed by the Baltimore and Ohio Rail Road Company, and the Chesa-

peake and Ohio Canal Company, as legal counsel, the services rendered, and the compensation charged by, or allowed to such counsel.

Sixth—The names of the officers and agents in the employment of said companies, with the annual salary, and other compensation of said officers and agents; together with a particular statement of the amount of extra pay, or additional compensation, which has at any time been paid, or given, or contracted to be paid or given, to any officer or agent of either of the said companies, and the services for which such extra pay or additional compensation has been given or paid, or contracted so to be, and that the said officers report before the 15th of February next."

So far as this order relates to this company, I submit the following answers:

First—Presuming that this question does not apply to such attention as in the accustomed line of their duty may have been given by the president and directors to the affairs of the company before the Legislature, without special compensation, I have to state, that the accompanying official statement from the secretary of the company, marked A, and the documents thereto annexed, marked 1, 2, and 3, contain all the names of all such individuals so far as they can be ascertained from the records of the company, as have been employed, or authorised to be employed, or claiming to be employed by this company, and also the amount of compensation paid to, allowed, or claimed by such persons for services rendered during the past sessions of the Legislature of the General Assembly of this State, together with the services stipulated to be rendered by such persons during the said sessions.

In regard to the claim preferred by Mr. Joseph I. Merrick, I have to observe, that a majority of the present board of directors not being satisfied from the records of the company, of their authority to recognise it, the claim was disallowed; and a suit afterwards instituted by Mr. Merrick to recover the amount, has been subsequently stricken from the record.

I have to add, that in a single instance only since the year 1837, upon an occasion when it was supposed that it might become necessary to present to the Legislature some explanation of the legal rights of the company, John Nelson, Esq. of this city, was requested to attend at Annapolis as counsel, and to act in that emergency should it arise, and for his attendance on that occasion, he demanded and was paid the sum of $200.

Second—To the second question I have to state, that this company has not employed, and as far as I have any knowledge, does not intend to employ, any individual or individuals to attend the present session of the General Assembly; but this answer is not to be understood as applying to the president or any director of the company, who may, if occasion should require it, attend at Annapolis without compensation, for the purpose of explaining the affairs of the company committed to their management.

Third—The document hereto annexed, marked B, contains a full answer to this question.

Fourth—In reply to this part of the order I have to state, that previous to the 18th of May last this company did not receive any money of other States for the transportation of passengers, produce or minerals, which was at a depreciation and not bankable in Baltimore, without being allowed the current discount.

On the 18th of May, in order to accommodate the travellers and consignees of merchandize, as far as the interests of the company would possibly allow, the several agents were directed to receive at par the notes of all banks paying specie in the cities of *Boston*, *New York* and *Philadelphia*, and of all the banks in *Maryland*, excepting the bank at *Salisbury*, and also to receive at par the notes of all other specie paying banks which should not be at a greater discount in Baltimore than 2½ to 3 per cent.

Anterior to, and since the 18th of May, all money not taken at par under the order of that date, was received by the several receiving agents at the current rate of discount; by the same agent it was immediately exchanged for par paper, and his deposit and payment over to the company made daily in *bankable money*.

During the same period the *contractors* on the line of the road, engaged in the work of construction, having agreed, in consideration of being permitted to proceed with their work, to receive part of their monthly estimates in paper of *Virginia* banks, the company, to relieve the city authorities, consented to receive from them in similar paper, the like amount in the payment of the monthly instalments of the city's subscription, and so receiving it at par, they paid it to the contractors at the same rate. These arrangements with the contractors and city authorities, however, were confined to their especial transactions, and with a full knowledge of the company's uniform regulations, by which no uncurrent money could be received for transportation of passengers, produce or minerals.

I will add that, although by conforming to what is of daily occurrence in almost every line of business, and paying at par, to those willing to receive it, paper which may have been received from others at a discount, this company not only might have relieved their customers from considerable inconvenience, but have also augmented its revenue, it is believed no instance of the kind has ever occurred, the company uniformly preferring to conduct its operations upon the basis of the par value of all paper money, neither receiving nor paying below that standard, and in the whole series of this company's multifarious transactions, I have no knowledge, and do not believe in the existence of the slightest pretence for the insinuation in this inquiry.

Fifth—The annexed statement marked C, compiled by the secretary from the records of the company, comprises the answer to the fifth question.

Sixth—In answer to this inquiry I herewith transmit an official statement prepared by the secretary, marked D, which contains

the names of the officers and agents in the employment of the Baltimore and Ohio Rail Road Company, and also shews the annual salary or other compensation of the said officers and agents.

I have deemed it proper also to annex the resolution and proceedings of the board on the 27th of December 1836, fixing the salary of the president, marked E. It was subsequent to the date of these proceedings, that the wishes of the company were for the first time made known to me, and that I was invited to remove from the city of New York, where I was engaged in a more lucrative employment, and become the president of this company. The terms of the resolution necessarily formed a material element in my decision, and, together with important public considerations connected with the subject, induced my acceptance on the 28th January following.

A copy of the letter of acceptance is herewith submitted, and, with other information applicable to the present order, forms part of an answer from this company dated the 31st of January, 1840, to an order of the House of Delegates passed the 20th of the same month.

I take occasion also to comprehend in this answer, (and to invite the particular attention of the committee and of the Legislature thereto,) the report of a select committee and of the executive officers of the Baltimore and Ohio Rail Road Company, on the subject of retrenchment in May last.

These reports fully and in minuter detail than can be presented otherwise, exhibit the order and economy which since 1837, has been gradually introduced into every branch of the company's service. Without a careful examination of the facts contained in these reports, it will be impossible for the Legislature entirely to comprehend the subject, or justly appreciate the labors and management of such a company.

Leaving these reports to the attention which the committee and Legislature will doubtless bestow upon them, it may be sufficient in this place to state, that the result shews by undeniable facts and analogies as to the committee state, "*that at this time the operations of the company are conducted on so low a scale of expenditure, that it may be advantageously compared with that of any work of a similar character in the world.*"

I have no knowledge of any other "extra pay or additional compensation which has at any time been given to any officer or agent of this company," than that to Caspar W. Wever in the year 1836, as contained in the secretary's statement, unless the order may be supposed to relate to the commission agreed to be allowed to the president of the company for his agency abroad in 1839, for disposing of the sterling bonds of the State delivered to the board in payment of the State's subscription to the capital stock of the company.

In case this should be the design of the inquiry, I have caused extracts to be made from the report of the committee on finance, proposing the allowances, and from the minutes of the board by

which it was confirmed, and hereto annexed and marked F, and in regard to this matter I deem it proper to state, that the same facts have heretofore been officially communicated in a letter to the chairman of the committee of internal improvements of the House of Delegates on the 31st of January, 1840, in answer to an order of the House of Delegates of the 20th of the same month.

In this letter and the papers accompanying it, it has been my aim fully to reply to the entire scope of the inquiries comprehended in the order, and I believe it will be found that I have none so. If, however, the committee should be of a different opinion, it will afford me pleasure to give them access to the whole archives of the company in such form as they may prefer.

I have the honor to be, sir,
your obedient servant,
(Signed) LOUIS McLANE, *President.*

I certify that the foregoing is a true copy.

J. J. ATKINSON, *Secretary*
Of the Balt. and Ohio Rail Road Company.
February 15th, 1843.

Copy of a letter to the Chairman of the Committee on Internal Improvement, dated 31st of January 1840.

OFFICE OF THE BALT. AND OHIO RAIL ROAD CO.
January 31st, 1840.

To JOHN THOMPSON MASON, ESQ.,
Chairman Committee of Internal Improvement
of the House of Delegates, Annapolis, Md.

SIR,—I had the honor to receive your letter of the 20th inst., enclosing the following orders adopted on that day by the House of Delegates:

"*By the House of Delegates, January 20th*, 1840.

"Ordered, That the committee on Internal Improvements be directed to inquire of the President of the Chesapeake and Ohio Canal Company, of the President of the Baltimore and Ohio Rail Road Company, of the President of the Susquehanna Rail Road Company, and the President of the Eastern Shore Rail Road Company,

"First—The number of officers employed since the first of January 1835, and the number of officers now in the employ of said Companies, with tables annexed of the salaries of said officers for the several years of 1835, 1836, 1837, 1838 & 1839.

"Second—What officers of said companies have received extra allowances, and what amount has been paid or stipulated to be paid, and to what individuals."

Pursuant to these orders I now transmit a tabular statement and other papers, prepared by the secretary, numbered from one to six inclusive; and which it is believed will afford all the information required.

I am not aware of any extra allowance paid or stipulated to be paid within the scope of the orders, excepting that to C. W. Weaver in the year 1836; unless that allowed to the president of the company, on account of his agency abroad in regard to the disposition of the sterling bonds of the State, given to the company in payment of the subscription on the part of the State, be intended.

I have, therefore, caused extracts to be made from the report of the committee of Finance proposing the allowance this case, and from the minutes of the board by which it was confirmed.

I have deemed it proper also to cause to be made and forwarded extracts from the minutes of the board where they are particularly recorded, of the resolutions authorizing an increase of salary.

It may not be improper for me to state, that the wish of the board that I should become the president of the company, was not made known to me until after the resolution of the 27th of December 1836—that the application was altogether unexpected to me, and that the offer was not finally accepted until the 28th day of January following.

A copy of the letter of acceptance is herewith submitted.

It is necessary to remark, that as well the number of officers as as the salaries allowed them have been adjusted, not only in reference to that part of the road actually completed and in use, but also in respect to the work of construction and other preparations which have been in progress, in extending it to Wheeling and to Pittsburg.

In reference to these objects the operations of the company are believed to be conducted with as great economy as those of any other company in proportion to the magnitude of the enterprise, of which the board have any knowledge.

In some instances, in which an increased salary has been authorised, the measure was deemed only just to the officer, and necessary to ensure the services of competent agents, in consequence of the increased duties and responsibility arising from the great augmentation in the business of the road. In others it formed part of an arrangement by which certain agents were dispensed with and their duties devolved upon others.

Thus arrangements were made as well to simplify the operations of the road, to concentrate and insure more strict and rigid the responsibility of the agents, and to introduce better economy into the entire system.

While the board have acted from a belief that the wisest economy consists in commanding the best grade of talent fitted for the service, and of rewarding its exercise with a liberal frugality they

have not been unmindful of the importance of keeping their expenses within the income, small as that has been.

Even an unprofitable road, however, requires the necessary fixtures incident to such works, and is not to be conducted with less expense than others possessing greater advantages. At the same time it will appear from the last annual report, that in the last two years, a surplus of income over expenditure, has been gradually accumulating; and from an examination of the tabular statement herewith submitted, that notwithstanding the augmentation in the trade and business of the road and the increase of salary which in some instances has been allowed, the aggregate amount paid for salaries of the principal officers is at present less than it was in the year 1835, or in any intermediate years.

I certify that the foregoing is a true copy.

J. I. ATKINSON, *Secretary*
Of the Balt. and Ohio Rail Road Company.

February 15*th*, 1843.

Minutes of the Board, fixing extra allowance for President for going to England, July 3rd, 1829.

"On the subject of the proper compensation to be allowed the president for his services abroad, he considers himself placed in a position of much delicacy, and prefers that it should, under circumstances, be decided by the board of directors, the committee have agreed that the lowest amount offered him should be $8000 certain for his expenses and journey, and that in case he shall succeed in disposing of the bonds, he shall be paid the further sum of $8000, making in the whole, about one half of one per centum on their estimated value, and this is to clear to him of any commissions he may have to allow to foreign bankers or agents, in carrying out the negotiation; and they have further agreed, that no diminution of his salary as president, shall be made during his absence; these terms, taking into consideration that Mr. McLane, from his peculiar situation, and which forms one prominent qualification for his task, will be subject to heavy and unavoidable expenses, are cousidered moderate, and are below what has been received by other gentlemen charged with similar objects of far less amount; and as this is an extra service from which he may possibly derive no pecuniary benefit whatever, the committee have thought it but just that his fund for family expenses, which will be the same to him whether at home or abroad, should remain undiminished."

"On motion, the compensation of the agent, as recommended in the report of the committee, was adopted unanimously."

I certify the foregoing to be a true copy.

J. I. ATKINSON, *Secretary*
Of the Balt. and Ohio Rail Road Company.

Ferruary 15*th*, 1843.

Minutes of the Board, fixing salary and appointing President, December 27th, 1836.

"Resolved, That the salary of the president be fixed at six thousand dollars per annum, to commence on the 1st January 1837, payable quarterly."

"The board then, on motion, proceeded to ballot in order to supply the vacancy occasioned by the resignation of Mr. Patterson, and Messrs. Hawkins and Patterson were appointed tellers; when on counting the ballots, it was ascertained that the whole of the votes present had been given to Louis McLane, Esquire, who was thereupon declared to be duly elected President of the Baltimore and Ohio Rail Road Company."

"On motion, resolved, That Messrs. Patterson, Swan and Latrobe, be a committee to proceed to New York, for the purpose of announcing to Mr. McLane his appointment, and communicating with him in relation thereto."

I certify that the foregoing is a true copy,

J. I. ATKINSON, *Secretary.*

February 14th, 1843.

Letter of acceptance of the Presidency, January 28th, 1837.

NEW YORK, *January 28th*, 1837.

GENTLEMEN,—I have already had the pleasure, in our interviews in this city, to express my acknowledgments of the kind and handsome manner, in which the directors of the Baltimore and Ohio Rail Road Company have elected me to the office of president; and I beg leave, on this occasion, to convey them to your colleagues in the board.

Regarding the enterprise with which the directors have been pleased to connect me, as one of the most important of our national works, deeply interesting to the states with which it is immediately connected, and especially, essential to the prosperity of Maryland and the city of Baltimore, I should feel a pride in being associated with its future progress and completion.

Any steps for this purpose, however, would have to be reconciled, in point of time, to the interests which might be effected by separating from my present connections; and it was, moreover, necessary that I should be made acquainted with the grounds justifying a reasonable prospect of my being able to realize the expectations of the directors, and of the practicability of completing, by our joint exertions, the great work they have in hand.

The explanations of the committee upon the first point being satisfactory, the last, and to the board and myself the most important, remained for consideration.

In my reflections upon this subject, it was impossible I should be unmindful of the over-estimate which the board have been

pleased to make of my ability to serve them; and, if I supposed that more could be expected of me than diligently and faithfully to second the efforts of the directors and others, to make available and apply the various resources upon which the success of the work must ultimately depend, that of itself, would have deterred me from the task. I am led to consider, however, that the expectations of the board will be satisfied by a faithful employment of my best faculties in the service of the company; and though our mutual labors may be arduous, the enterprise itself, is so full of benefit to the country at large, and presses such cogent appeals to the vital interests of the enlightened communities with which it is more immediately connected, as to warrant even greater hazard than, I hope, can attend its completion.

Confiding, therefore, in the various resources, as explained by the committee, and in the hope that they may reasonably be made available; in the peculiar importance of the work to the State of Maryland and the city of Baltimore, and in the wise liberality of those authorities; and relying upon the known ability of those with whom I am to be associated in our various duties; and upon the generous support which we have a right to expect from the stockholders, and others not less interested, I have the pleasure to inform you that, I accept the office to which the board have been pleased to elect me.

At present, it is impossible for me to say at what precise time it will be in my power finally to quit my post here; but, as soon as the necessary arrangements for that purpose can be made, I will repair to Baltimore, and enter upon my duties there. Meantime, I will take an early opportunity of meeting the board for the purpose of consultation upon some points, which appear to me to require prompt attention.

I remain, gentlemen,
With sincere regard,
Your obedient servant,
Signed, LOUIS McLANE.

To Messrs. PATTERSON, SWAN AND LATROBE,
Committee, &c. &c. &c.

I certify that the foregoing is a true copy,
J. I. ATKINSON, *Secretary*
Of the Balt. and Ohio Rail Road Company.
February 14*th*, 1843.

[PRIVATE.]

Letter of Joseph W. Patterson, Chairman, to Louis McLane, January 14th, 1837.

BALTIMORE, *January 14th*, 1837.

DEAR SIR,—I have to acknowledge the receipt of your letter of the 11th; and, after having submitted it to the committee, hasten to reply to it, with the remark, in the first instance, that, like yours, my letter is unofficial and confidential.

The question that presented itself in the intercourse which the committee had with you, of the most importance in influencing you to accept or decline the appointment of president of our company, was, whether there existed such a reasonable prospect of obtaining the means necessary to complete the work to the Ohio, as would justify you, having reference to your own position, in connecting yourself with it. To succeed, on the one hand, would bring its honor, be gratifying to you, and giving permanency to the office—to fail, might be to detract, as failures often do, from a well-earned and high reputation, and render uncertain the duration and compensation of the appointment. This was the plain view of the subject presented at our interviews. To meet it, it became necessary to examine the resources at command to complete the work to the Ohio. These were the subscription by the State, the subscription by the city of Baltimore, the pledge from Wheeling, and the unexpended capital already subscribed, the two last amounting to $1,000,000 making in all $7,000,000—the probable cost of the work, to be subscribed before the State's subscription could be made available, was stated to be between 8 and $9,000,000, and the committee expressed the belief that an additional subscription for the deficit would be made, if necessary, by the corporation of Baltimore, when it became apparent that the completion of the work required it. This narrowed the question still more, and left it to be enquired, whether the subscriptions of the State and the city of Baltimore, could be made available by obtaining the money for them. A difficulty in regard to the State's subscription at once presented itself, in the 20 per cent. premium. This, the committee expressed the belief, would if necessary, be now, or ultimately modified, because of the importance to the State of the works depending upon the subscription; the numerous friends that the Chesapeake and Ohio Canal and Baltimore and Ohio Rail Road had on the Western Shore, and the Eastern Shore Rail Road had on the Eastern Shore, and because of those considerations of the importance of internal improvements which had induced the other states of the Union to embark in them, and

which it was expected, would have a similar operation in Maryland. With regard to the additional subscription by the city of Baltimore, it was not in the power of the committee to say more than they believed it would be made if necessary—the mode of making the subscription available was of course undetermined, and and presented in our conversations the question of greatest doubt. The committee further expressed the belief, that if the subscriptions in question could not be made available this year, they might the next; and even if not made available until the year after, there would be still time to complete the work, without asking an extension of the charter from Pennsylvania.

The committee further stated, that to accomplish the great object in view, to make available the resources of the company, and to complete the road, there should be at its head one in whom the stockholders and the public alike had confidence, and whose talents, ability and weight in the community would be most important, if not absolutely essential to the success of any measure to make available that subscription of the State, and the city of Baltimore, upon which the completion of the work depended. Such an individual, the public, as it was and still is understood, the stockholders and the board of directors, believed to be yourself. That there would be difficulty in your way, that you incurred some risk, was admitted; but the committee believed, that with a proper person, such as yourself, at the head of the company, there was a fair probability, a reasonable hope of success. Their reasons for this hope, they detailed in their communications with you, and they are here stated. The motives that would, it was expected, operate upon the Legislature to relax the restriction on the sale of the State's stock, were operating in other states, inducing them to adopt the internal improvement system, and could be appreciated by you as well as by the committee; and the mode of making the city subscription available depended upon circumstances connected with the ability and reputation of the city, its present debt and the state of the money market, with which the committee could not make you better acquainted than you already were. The city deemed the work a vital one, and it was believed, would do every thing in its power to accomplish it.

The question now is, whether you can, under these circumstances, accept the situation that is tendered to you—whether you can see such a reasonable hope of success as will justify you in incurring the risk which you may think you will run. It is not expected in Baltimore that you are to make the road simply by becoming the president of the company; but should you accept the offer, the conviction here will exist, that if the road can be made you will make it; and that, at all events, there will be one at the head of the company, who, with all the talent, ability and reputation that is necessary, will be ready to avail himself of those changes in affairs which often ensure success even when it seems most doubtful. To dwell upon the confidence that the road will be made, and the conviction of its absolute necessity, which are felt

here, is perhaps not to the purpose. It is *you* that must be satisfied that there is a reasonable hope of their expectation being realized. There is the deepest solicitude in Baltimore in regard to your acceptance of the situation. There would be the most profound regret throughout the community should you decline it. This I sincerely trust you will not find it necessary to do. Should it become so, however, it will be perhaps, better upon reflection to say so briefly, without letting it be expressly understood the hopelessness of the enterprize deters you; as this would certainly dampen much of that ardor among the friends of the undertaking that is essential to its success, and which I trust will accomplish it yet.

Most sincerely, in common with my colleagues and mutual friends, hoping you may conclude to accept the appointment,

I am, dear sir,

Most respectfully and truly yours,

J. W. PATTERSON, *Chairman.*

I certify that the within is a true copy,

J. I. ATKINSON, *Secretary*
Of the Balt. and Ohio Rail Road Company.

February 14*th*, 1843.

[Document U.]

BY THE HOUSE OF DELEGATES,
February 16th, 1843.

Read and ordered to be printed.

REPORT

OF THE

EXECUTIVE OFFICERS

OF THE

BALTIMORE AND OHIO RAIL ROAD COMPANY,

ON THE SUBJECT OF RETRENCHMENT.

REPORT.

To the Directors of the Baltimore and Ohio Rail Road Company.

GENTLEMEN,—On the 8th of March last the City Councils of Baltimore passed the following resolution:

"Resolved, by the Mayor and City Council of Baltimore, That the Directors on the part of the city in the Baltimore and Ohio Rail Road Company, and in the Baltimore and Susquehanna Rail Road Company, are hereby instructed to submit a resolution to the general board in said companies, relative to dispensing with the servics of a portion of the officers of the companies, and reducing the salaries of the officers as far as practicable, without affecting the general interest of said companies."

This proceeding by the councils was communicated to the board, by the gentleman first named on the list of directors appointed by the city, on the 6th day of April, for the purpose merely of announcing the fact, and of preferring a request that the board would hold a special meeting on the 13th of the same month to receive sach report as he and his colleagues might determine to present pursuant to the resolution. To this request the board assented, and adjourned to meet accordingly on the 13th day of April.

During the interval, the directors appointed by the city held one or more meetings. They did not, however, confer with the president or other executive officers of the company, and therefore, received no explanation from either, of the amount of the company's expenditures, or of the real demands of the service. The directors, it is presumed, may have ascertained from the records of the office, the number of individuals employed in the various departments and the amount of compensation allowed them under the authority of the board.

Without any inquiry of any officer by whom such individuals are ordinarily selected, and who accordingly by the standing by-laws of the company are responsible not only for the fitness of the selection, but for the efficient discharge of their duties, the directors proceeded to recommend the immediate dismissal of some of the persons employed, and a reduction in the compensation allowed to others.

At the special meeting of the board on the 13th of April, the result of these deliberations was reported by Mr. James Carroll, the director first named, and will appear from the copy of that report hereto appended.

In presenting this report, Mr. Carroll informed the board that in the form in which he presented it under the direction of a portion of his colleagues, it had not received his approbation, and as more in consonance with his own views of the subject, he offered as amendatory of the report the following resolutions:

Resolved, "that until the work of construction to Cumberland shall cease, the general interest of the company would be affected by reducing the salary of the president."

Resolved, "that the president and the officers charged with the several departments be instructed to reduce expenses as much as they possibly can, and to report such reduction to the next meeting of the board."

Both resolutions were severally adopted by a vote of 20 in the affirmative to 3 in the negative: and the remainder of the report was referred to a select committee of five members, who at the request of the president, were appointed by the board by ballot.

That the second of the resolutions offered by Mr. Carroll, presents the soundest and most practicable mode of attaining any safe and judicious reduction, if any such be needed in the company's expenses, will it is believed, be conceded by all impartial minds: since if the various executive officers to whom the extensive, and in many instances, the intricate operations of the company are entrusted, be not competent to be consulted, and to express their opinion as to the actual exigences of the service, as to the character of the men to be employed for whose conduct they are responsible, and as to the amount of compensation requisite to command them, they themselves would be unfit for the stations they occupy. Such want of competency, if it exist, will be best ascertained by such action and reports as the second resolution requires, and in this way the constant supervision of the board, so necessary in every well ordered company, may be most advantageously and effectually exerted.

In the opinion of the uudersigned, such supervision cannot be too constantly and diligently exercised. Every executive officer ought especially to desire it, as a means not only of assisting his own judgment, and aiding him in his own honest efforts to promote the economy and efficiency of the service, as in some degree lessening his responsibility, quickening his individual energies and correcting his errors, if crrors he commit, before they produce too great injury, but of ensuring him the approbation and confidence of the directors, as the just reward of good conduct.

Speaking for himself, the undersigned would have always been gratified at such aid; for with no other possible motive than to practice the utmost economy, consistent with proper safety and efficiency, he is nevertheless, sensible of the importance of the aid and counsel of others, and would especially desire the active supervision of those who in the board represent the vast amount of capital embarked in the enterprise. It is perhaps a source of regret that in the management of this company such supervision has been so seldom exerted.

The undersigned is aware of but few instances since 1837, in which any reduction in the number of persons employed in the working of the road, or in the amount of compensation allowed, has been directed, or suggested, unless upon the recommendation or intimation of the president, or some one of the other officers, while in several instances during the same period the compensation has been increased without any recommendation from the president. It is hardly necessary to remind the board, that although in the autumn of 1839, a committee of retrenchment and reform was appointed, no specific object was pointed out, and as the committee never made any report, it may fairly be presumed, that they found no room to retrench, or were willing to trust to the vigilance of the executive officer.

The present, therefore, may be said to be the first occasion with the exceptions already adverted to, of an attempt, by any class or number of directors, in an official form to insinuate the existence of unnecessary expenditure, or to recommend specific reductions; and the present proceeding, but for the manner in which it has been instituted, would require no particular observation. Originating, however, as it apparently does, with the authorities of the city, it may, by the public, at least, be supposed to imply the existence, if not of abuses, at least, of needless expenditure, which, without the interference of those authorities, the executive officers, and the twenty-two directors representing more than eight millions of stock, were unwilling or too negligent to rectify. Of their own knowledge, the city authorities could know little, if any thing, of the details of the service, of the number and duties of those daily engaged in conducting it,—of the just measure of compensation adequate to the several duties, or of the terms and contracts by which it had been fixed. Their instruction is nevertheless absolute that the city directors shall submit a resolution "dispensing with a portion of the officers of the company." If from information derived from extraneous sources, the city authorities proceeded upon the supposition, that there are useless officers in the service of the company, or that the operations of the road are conducted with less economy than others universally conceded to be cheaply managed, or that in any other class of the direction, or in the officers charged with the several branches of the service, there is an indisposition to effect reform, or inattention in correcting abuses, the sequel of this investigation will satisfactorily shew, that on all these points the city councils have been misled and deceived. Even upon the supposition that any ground existed for the interference of the city authorities, it is respectfully suggested that their supervision might have been exerted with more propriety and advantage, and with a much greater prospect of harmonious action, if the resolution had been immediately addressed to the board of directors, thereby not only announcing the wishes of the city authorities, but conceding no more than a just confidence in the whole number of directors at once to consult those wishes and the interests of the other stockholders.

It must be apparent to all that any attempt to classify and distinguish the different stockholders composing the company, or the directors by whom they are represented by any imaginary difference of authority or interest, ought to be deprecated, and sedulously discountenanced. It cannot fail to engender jealousies, suspicions, and unfriendly collisions, destructive of harmony, and fatal to the ultimate success of the enterprise. All the stockholders, whether individuals or corporations, are but one company, having one and the same interest, and one and the same object: by whomsoever or whatsover interest elected, when once in the company the directors represent the common interest, and owe to the whole and every part a common and the same duty.

It is not possible to benefit or injure the interest of any number of stockholders without proportionably affecting that of the whole; and it is not to be imagined that the representatives of $4,000,000 of individual stock, are less mindful of their own interests, and therefore, require to be guarded and stimulated by others. It is plain also that in appeals to particular classes, the same full and satisfactory information in regard to all the branches of the service is not likely to be acquired, and that as profitable results are not to be attained, as by the united and harmonious co-operation of the whole number of directors.

It is apparent from the investigation to which the resolution of the city councils has given rise, that if the resolution had been directed to the whole board, most of the recommendations contained in the report presented on the part of the city directors would not have been ventured.

Passing from these observations, the undersigned proceeds to a more particular report upon the second resolution offered by Mr. Carroll; and he deems it proper here to state, what indeed, as it appears from the company's records, ought to be known to the whole board, and what he feels confident a large majority will at all times acknowledge, that ever since his connection with the company, the undersigned has been engaged in ceaseless efforts to introduce a judicious economy, and to lesson the cost of transportation, and that the measures adopted for those purposes have been regularly reported to the board.

It is shewn by the accounts, and has been more than once publicly stated, that when, in 1837, the undersigned accepted the office of president, the expenses of the company annually exceeded its income. The prosecution of the work west of Harpers Ferry, was entirely suspended, and, to all appearances for an indefinite period.

Its chartered authority even, was about to expire, and it was without funds to make a single step in advance. The Main Stem to Harpers Ferry, was in a state of utter dilapidation:—the moving power and machinery inadequate to the accommodation of the business actually offered for transportation;—large debts had been contracted, which there was not the ability to pay; and to provide for the excess of expenditure over the income, occasional instal-

ments of the capital then remaining unpaid, were demanded.—Without this resource the working of the road could not have been carried on.

There was at that period no system of accounts, and little of responsibility. The payments and disbursements were made through agencies, in which large sums of money were from time to time deposited, to be expended as the exigencies of the service demanded. The department of repairs of the road was both expensive and inadequate, consisting of an unnecessary amount of superintendance without the requisite skill, and under large outlays the road was annually becoming worse. All the repairs of machinery were made by others, under contracts at high prices, and so inadequately performed that every part of the machinery was daily becoming more unfit for use. The water stations too, afforded an insufficient supply, and some were in the greatest disorder. From these causes the department of transportation was unable to perform its most ordinary duties, and the Inclined Planes at Parr's Ridge not only contributed still farther to swell the expenses beyond the income, but prevented the possibility of accommodating the trade: thus keeping up an unwieldy amount of machinery and agencies, without the ability of doing sufficient business to afford an adequate remuneration. Public confidence, not only in the extension of the work westward, but in the working of the existing road, appeared to be entirely withdrawn. As the road and machinery were daily becoming more dilapidated, and the excess of expenditures beyond the income was annually increasing, a very short time would have sufficed to exhaust the remainder of the unpaid capital, and the stockholders having no farther interest to make advances beyond their capital in a losing concern, the work even to Harpers Ferry must from necessity have been abandoned.

A man who had embarked in such an enterprise, without an adequate knowledge of these difficulties, could not possibly have had any other motive for abiding by the wreck, but sympathy for the stockholders with whom he had become connected, and the hope and pride of clearing it away.

These motives proved of sufficient force, and the task, arduous and discouraging as it appeared, was undertaken and patiently prosecuted.

It was the wish of the undersigned that in the reforms which in this crisis were indispensably necessary, the *directors* should have a direct and active participation, and, to render the measures of reform entirely harmonious and free from any invidious claim of merit, that those of the old board should be as forward in the work, as their colleagues more recently elected.

The board was, therefore, asked to constitute a committee of inspection, consisting of both the old and new members, and that in conjunction with the president they should be authorised to mature a more perfect system of organization. The reports of this committee show how much they accomplished.

Useful and important however, as were the results actually accomplished in this way, much necessarily remained to be effected by other means. Capacity for the fit selection of suitable agents for the various duties of detail and the apt application of given resources to their appropriate objects, were wisely regarded as the chief functions of executive administration. All therefore that could not be immediately changed was left to the gradual operation of time and circumstances, under the immediate and constant supervision of the president, upon whom all the authority necessary for the purpose was expressly conferred. In this way, the reforms which occasions demanded and the exigencies of the service would admit of have been gradually effected.

The accounting department was promptly re-organized, and the responsibility in each department rendered stricter and more perfect. The superintendance of the road was changed and brought under the supervision of the engineers at a reduced expense; the system of repairing machinery of all kinds by contracts was abolished, and the work brought into the company's shops at a reduction of more than fifty per cent. The operations of the road were simplified by being brought under two great departments of repairs and transportation, which were at once filled with the adequate skill and industry.

Instead of using the unpaid capital to meet the excess of expenditure over income, the whole amount was promptly demanded in instalments, and applied to the reduction of the Planes at Parr's Ridge, and, to the renovation of the road in all parts of the line, commencing with those in the most dangerous condition, and most needing attention. All unnecessary officers were dispensed with, and the wages of others, as far as practicable, reduced. The depot agencies in many instances were also dispensed with, and a system of private agencies substituted.

By these means, and the constant and numerous reductions which have been from time to time effected by the head of each department under the instructions of the president, the expenses were gradually reduced below the income, and the road-bed placed in as good condition as a new road, throughout the entire line. By the substitution of wood for coal; and the increased efficiency of the coal burning engines, under the new system of repairs, a saving of more than one-third in the expense of fuel has been effected. The moving power and machinery have been increased nearly three-fold, and the entire operations of the road rendered easy, regular and certain. The debts previously contracted were all discharged, and as early as the year 1840, a dividend of 2 per cent. of the net profits was declared.

The system of accounts, that of transportation and also of repairs of road and machinery are believed to be now as economical and perfect, or nearly so, as they can be made. Every branch of the service is in the best condition; the road is in better state than it ever was before, and is used with greater certainty and safety than at any previous period; the machinery is in better working

condition, and equal to the accommodation of any amount of trade which may be expected for one or two years, even after the extension of the work to Cumberland: and a larger amount of business is annually done, and at a reduced expense.

The cost of transportation per mile run by the trains is less by $1.09 than in 1837; and an examination into the expenses of the company will shew that at this time the road is worked cheaper and at a less expense in all its departments than any other road in Europe, or in the United States. It may be further remarked, that from these causes the net profits of the Main Stem for the last six months, a season of comparatively small business, are more than at the rate of five per cent. upon the original capital of four millions of dollars.

It will not escape the attention of the board, that during the progress of this system of management, the extension of the road towards its western termination has been vigorously and successfully prosecuted. The subscription by the State has been freed from the fetters with which it was bound up; a renewal of the Virginia charter obtained upon favorable terms, and during a period of unparalleled stagnation and disorder, in which most other public works have been suspended, the Baltimore and Ohio Rail Road has been prosecuted with the most gratifying success, at a comparatively cheap cost and a very small sacrifice of funds. By the month of June the road will be opened to Hancock, and, if no unforeseen interruption occur, it may be expected by the 1st of October next, to be in operation to Cumberland.

It has been already observed, that the system of economy to which the present state of the company's affairs is attributable, has been the result of gradual, but constant reforms adapted to the condition of the road and machinery, and the state of travel and trade. As recently as the month of February last, as soon as the general reduction in prices would warrant it, farther reductions amounting annually to nearly $11,000 were directed, and were actually reported to the board on the 1st of April.

At the time he directed these reductions, which are particularly detailed in the report of Mr. Murray, submitted to the board at their meeting on the 6th of April last, the undersigned made a particular and minute examination into the condition of the service, and was entirely satisfied that in the departments of transportation and repairs of road and machinery, further reductions could not be made without injury to the interest of the company. If he had thought otherwise, he would at that time have made them more extensive.

The working of a rail road is of considerable nicety; requiring in those engaged in it a degree of skill and attention superior to the qualifications of ordinary labor. Men entrusted with the lives of passengers and the safety of property in a service liable to so many casualties, only to be avoided by the utmost skill and caution and great presence of mind,—must be selected with particular care, and as their duties require them to be employed in the

night, as well as the day, competent individuals, such as the company is under a legal obligation to employ, can only be had by the payment of liberal wages.

In such employments, true economy is believed to consist in the employment of the fewest number of competent men, and at wages calculated to ensure the services of the best.

Pursuing this rule, the undersigned believes it impracticable, at present, further to reduce the expenses, and he would be unwilling, unless on very clear reasons,—more cogent than a general instruction, or any others that have yet been adduced,—to endanger the present economy of the work, and by driving good men from the company's employment, expose the lives of passengers, and the safety of property to greater risk.

He is the more unwilling to engage in such an experiment, which he cannot but regard as hazardous, from the near completion of the road to Hancock, and its probable extension to Cumberland within the year; when, if not before, the duties of all engaged in the department of transportation, and in that of repairs of road and machinery, will be greatly augmented; and can be much better performed by those who have been long and regularly trained than by such as from necessity we should be compelled afterwards to introduce.

The undersigned has farther to state, that the second resolution offered by Mr. Carroll, and adopted by the board, was furnished to the several executive officers of the company, each of whom has made a report, relating to the expenses of his particular department, which is now submitted to the board. Viewing each of these officers as acting under the immediate instructions and supervision of the president, he deems it his duty to express his general concurrence in the views presented in the several reports of the secretary, of the superintendent of transportation, and of the superintendent of repairs of road and machinery: and so conceiving, he is compelled to report to the board rather what in the exercise of the soundest discretion he has found it impracticable to do, than what he has done under the resolution of the board.

He is unwilling to enter into any detailed observations in regard to that part of the schedule of reforms relating to the subordinate agents, presented by the directors appointed by the city, and not finally disposed of by the board; though perhaps it became his duty to regard it as an intimation of reductions, which, in their opinion, might and ought to be made. He pretends not to conjecture the grounds upon which that schedule was prepared; but if any reliance whatever is to be placed upon the judgment and experience of those officers who are charged with the operations of the service, who are familiar with its daily details, to whom are confided the lives of passengers and the safety of property, and who can have no possible motive unnecessarily to swell the company's expenses, he is at a loss to perceive what sufficient answer can be given to the facts and conclusions set forth in their reports. Here is a system of rail road operations reduced to a scale of grea-

ter cheapness and economy than any other known to us in Europe or in the United States, and brought to its present perfection by nearly five years of arduous toil and the exercise of all the skill and science the company could employ: it is daily complying with all the demands of trade, and giving universal satisfaction to the public, with fewer interruptions and at a less cost of transportation than any other known road.

Why, under such circumstances it should be publicly attempted to retrench still further in all the departments without reference to the general economy of the service, it is difficult to conjecture. It is moreover obvious that the aggregate of the proposed reductions bear but an insignificant proportion to those already accomplished by the executive officers, though what is proposed would in some cases be contrary to existing engagements, and in many others unjust to the agents who would be thereby affected.

The undersigned has therefore felt it his duty to decline making any farther reduction at present, without the express direction of the board.

In the forgoing observations he has confined his opinions to the reports and expenses properly relating to the working the road. He has therefore purposely excluded the engineer department, considering that as existing under a fixed organization, by the special order of the board. On this ground he has in no instance directed any alteration or modification of this branch of the service without special authority for the purpose, more especially as the subject has been, in more than one instance, brought to the distinct notice of the board, and no step has been taken to warrant any interference on his part. He nevertheless deemed it his duty to furnish to the chief officer of this department, a copy of the second resolution, and his views on this part of the subject are contained in his report which is herewith submitted.

Until the recent proceeding by the City Council it might have been presumed that every director whose duty it has been to look into the affairs of the company had become fully acquainted not only with the general economy of its operations, but with the curtailments which had gradually and from time to time been made in the expenses; and it might have been especially supposed that no one could remain unacquainted with the great reduction which had been effected in the cost of transportation. It was therefore only just to conclude that through this channel, if not from the annual reports of the company, the public would have been satisfied, not only of the general economy which had been introduced, but that the operations of the company were conducted with the least possible expenditure. The proceedings by the Councils, however, would seem to authorise a different conclusion, and afford ground to apprehend that either from the want of better information or from some other cause, there have been propagated false notions of the actual condition of the work, and of the economy with which it is conducted, which ought to be promptly corrected. The successful prosecution of this enterprise stands in need, not

only of the support of the stockholders, but of the confidence of the public, and of the credit which that alone could give; and as from the mode of its management it deserves both, it is fairly entitled to receive them. Surely, no one entrusted with its management and participating in the general measures by which it has earned the public favor, will begrudge the advantages to which it may justly lay claim, or throw obstacles in its way lest the meed of merit may not be awarded according to the standard he would adopt.

It is the duty of all cordially to unite in securing for the enterprise the full measure of favor and support to which it is entitled, and in establishing a just basis for its future credit and operations. However this may be, the board owe it themselves to leave no room in future for deception or misrepresentation, but to take such measures as will effectually make known the results of their management.

It is therefore suggested as proper that the board should communicate to the mayor of the city, the reports of the superintendent of transportation, and the superintendent of repairs of road and machinery, with a request that they may at a proper time be laid before the City Councils, and submitted to the public, in such form as the mayor may think proper. It is believed also that the board might without impropriety, under its own direction, make known to the public the contents of these reports.

LOUIS McLANE, *President.*

BALTIMORE, *May* 4, 1842.

Resolution submitted by Mr. Carroll under the instruction of a majority of the directors on the part of the city.

Resolved that the salary of the President be reduced to $4000 per annum.

Of the Secretary to	$1800	per annum.
" Agent at Frederick,	500	do.
" do. Harpers Ferry,	500	do.
" Collecting Agent at Baltimore,	500	do.
" Street Supervisor in Baltimore,	500	do.
2 Tonnage Brakemen,	30	per month.
2 do. do.	25	do.
The Firemen,	30	do.
Watchmen,	25	do.
Supervisor of Stock,	40	do.
Ostlers and Passenger Drivers,	25	do.
Blacksmith,	30	do.
Division Engineers,	1200	per annum.
Superintendent of Mechanics work at H. Ferry,	2	per diem.
do. Masonry at Paw-Paw-Tunnell,	1 50	do.
do. Delivery of iron at Baltimore,	1	do.
Agent at Washington,	800	per annum.

Clerk at Washington - - - -	$30	per month.
Conductor of Tonnage, - - -	35	do.
Brakeman on the Washington Road, -	25	do.
Agent at the City Block, - - -	35	do.
Attendant on Passenger Cars, - -	25	do.
Driver and Mail Carrier, - - -	25	do.
The Supervisors on the Main Stem now receiving $60 per month, to - - - -	50	per month.
The other Supervisors, - - - -	40	do.
Supervisors on Washington Branch, - -	40	do.
Foreman in Machine Shop, - - -	750	per annum.
Assistant Foreman, - - - -	50	per. month.
Master Carpenter, - - - -	45	do.
Carpenter charged with passenger cars, -	45	do.
Smith at Frederick, - - - -	25	do.
Master Foundry-man, - - - -	1 75	per day.
Pattern Maker, - - - - -	1 50	do.
Boiler Maker, - - - - -	1 50	do
Finishers and Smiths, - - - -	1 37	do.
Coach Maker Carpenters, - - -	1 37	do.

Resolved that $5 per month be taken from the salaries of the depot laborers—that the services of one of the clerks in the secretary's office be dispensed with—that one of the porters be dispensed with—that 5 resident engineers, 5 vanemen, and 5 axemen be dispensed with—that Allan Raney's services be dispensed with—that the finishers and smiths to coaches, be reduced in number to 100, and the wages of the best to $1.25 per diem, the rest in proportion.

ENGINEER'S OFFICE, BALT. AND OHIO RAIL ROAD,
Baltimore, April 29th, 1842.

To LOUIS MCLANE, ESQ.
Pres't Balt. and Ohio Rail Road Co.

SIR,—I have to acknowledge the receipt of the following resolution adopted by the board at their last meeting on the 13th instant.

"Resolved, That the president and the officers charged with the several departments be instructed to reduce expenses as much as they possibly can, and to report such reduction to the next meeting of the board."

In obedience to this resolution I submit the following report:—

Since my connection with the Department of Machinery in 1839, the reduction of expenses has been constantly pressed upon me by yourself, and has been gradually going on.

The last reduction was made on the first April instant, and it is my opinion that no further reduction can now be made without injury to the company's interests.

I propose to shew what reductions in the expense of working the road, and keeping it in repair, have been made, by comparing the expenditures of each year from 1837 to 1841 inclusive, and of the six months ending April 1st, 1842.

I propose also to shew that at this time the wages paid to workmen and labourers by the Baltimore and Ohio Rail Road Company are lower than the average of wages paid by other companies or individuals.

I propose to shew that the aggregate cost per mile for working the Baltimore and Ohio Rail Road is less than for working any other road with which it is fair to compare it, less than any road in Massachusetts, where the reputation of the roads is the highest, and economy in working them is judiciously consulted—less than for either of the two other roads running into Baltimore, and less than for the principal road in Belgium, stated by Gerstner to be the cheapest worked road in Europe.

I am aware that comparison does not always prove economy, for even spendthrifts differ in degree; but when it is shewn that the labour, which makes so large an item in the aggregate of expense, is obtained at its lowest market price, a comparison may be fairly relied on.

MAIN STEM.

Repairs of Road.

The aggregate cost of repairs during the years 1837, '38, and '39, were very large, reaching the maximum in the latter year, when it amounted to $97,920 74—in 1840, it was $85,463 73—in 1841, $70,097 69—and the estimated repairs of 1842, is, $62,000, which is based upon the six months already passed.

In 1836, '37, the road was almost impassable; hence the heavy repairs of 1837, '38, and '39. When once put into good order, as a matter of course the expense of keeping it so, by an active and judicious supervison, is materially diminshed.

Supervision.

In 1837, '38, and '39, there were nine Supervisors on the Main Stem, rendered necessary by the condition of the road.

In 1840, the improvement in this respect enabled the company to dispense with two. On the first of April last two more were discharged, and there are now but five Supervisors who in the present condition of the road are able to do the work which required nine in 1839.

Labourers and Horses

These were at their maximum in 1840, when there were 137 men at an average of 91½ cents per day, and 10 horses at 67 cents per day. In 1841, 123 men at 90¼ cents, and 8 horses at 67 cents per diem. On the 1st April instant, the number was reduced to 87 men at 80½ cents, and 6 horses at 67½ cents per day.

WASHINGTON BRANCH.

Repairs of Road.

Here the numerous deep cuts which are the peculiar characteristic of this work, and the heavy slips which abate only with time, caused heavy and increasing expenditures through 1837, '38, and '39, in which last year, they were $35,828 35. In 1840, they diminished to $27,655 88. In 1841, to $22,664 48, and with the experience of six months of 1842, they are estimated for the year at $18,500.

Supervision.

In 1837, and '38, there were five Supervisors on the road, whose principal labour was at the slips of the deep cuts.

In 1839, they were reduced to four, and in 1840, to two, which is the present number, and both of these are absolutely necessary, and will be until the cuts cease altogether to slip, which cannot be expected for some years to come.

Labourers and Horses.

The greatest number of these was in 1838, when 90 men at 95 cents, and 11 horses at $1 per day were employed.

In 1839, there were 75 men at $1.02, and 9 horses at $1 per day.

In 1840, 61 men at 89 cents, and 9 horses at 90 cents per day.

In 1841, 53 men at 88 cents, and 8 horses at 87½ per day.

In 1842, 42 men at 79½ cents, and 8 horses at 75 cents per day.

WORKING THE ROAD.

The foregoing statements relate to the repairs of the Main Stem and Washington Branch. The next inquiry is into the cost of working the road, the first and principal item of which is the repair of locomotives, in regard to which, time has only permitted me to notice those on the Main Stem, the repairs of those on the Washington Branch being however about proportional.

Repairs of Locomotives.

In 1838, these were for the first time done by the company. In 1837, they had been done by contract, at an expense for each mile of road travelled by them, with trains, of $14\frac{7}{100}$ cents.

In 1838, these repairs were $7\frac{56}{100}$ cents for each mile run.

In 1839, $7\frac{6}{100}$ cents; in 1840, $8\frac{95}{100}$ cents; in 1841, $8\frac{6}{100}$ cents, and in 1842, thus far, $6\frac{95}{100}$ cents.

In 1838, but little more was done to the engines but to keep them going. In 1839, '40, and 41, several old engines were entirely re-built, and the engines, save two, were put into first rate order, and now in 1842, with 28 engines in first rate working order, the expense of keeping them in this order, including the expense of re-building two within the year, is but 6_{100} cents per mile run,

It is here to be remarked, that the expense of keeping the locomotive power on the Susquehanna Rail Road in repair is 6 per cent. greater than the above, although that road has the advantage of a heavy and fine rail, in good order; while the old and defective plate rail is that which is travelled over by the engines of the Baltimore and Ohio Rail Road Company.

Cost of running the Trains on the Main Stem.

In 1837, the cost of running the trains per mile, including all expenses, save interest on capital, and the horse-power at the Inclined Planes, and in the streets of Baltimore; was 173 cents per mile.

In 1838, there was a reduction to 108 cents; in 1839, to 93 cents; in 1840, to 76 cents; in 1841, to 74 cents; and in the six months of the company's fiscal year of 1842, to 64 cents per mile run,—which last rate is less by two per cent. than the rate on the Western Rail Road of Massachusetts, a new road, constructed in the most durable manner, having all its machinery new, and worked with the best experience of very able engineers—being, except the Baltimore and Ohio Rail Road, so far as I am inform-

ed, the cheapest worked road in the United States. This comparison is the more flatterring when the defective plate rail of the Main Stem is recollected, and the fact also, that the machinery used upon it, is generally speaking, old—one-half consisting of the coal engines, some of which have been in use since 1834.

Cost of running the Trains on the Washington Branch.

In 1837, the cost of running the trains on the Washington Branch road from the junction, was 103 cents per mile; in 1838, it was 112 cents; in 1839, 120 cents; in 1840, it was reduced to 105 cents; in 1841, to 93 cents; and for the past six months of the fiscal year of 1842, to 81½ cents per mile run. In 1838—39, the increase of cost was owing to the refitting of the Passenger Cars, the removal of slips and the ballasting with gravel of a considerable extent of the road-bed, (for it will be remembered, that in this calculation of the cost of running the trains, the repairs of the road are included,) as well as all other expenses, save as already shewn, the interest on capital.

It will be seen that the cost on the Washington Branch is greater per mile run than on the Main Stem; this is owing to the fact, that the trains run a less number of trips over the branch road, and to the fact also, that on the Main Stem the very heavy item of removing slips is not felt—it being also borne in mind, that in this reference to the number of miles run as furnishing a standard of cost, there are items, which are the same, whether one or ten trips per day are run, such as expenses of the company not connected with the running of the trains and repairs of the road not affected thereby; for instance, deduct the cost of removing the slips in the Washington road cuts for the last six months say $6,000, from the total cost of running the trains, on the prineiple here adopted, say from $30,109 18, and we have $24,109 18, which divided by the number of miles run, 37,000, gives $65\frac{1}{100}$ cents, as the cost per mile run on the Washington Branch, which is less than the cost on any other road in this country, except the Main Stem of the Baltimore and Ohio Rail Road.

On the first of April instant, a reduction for some time contemplated, and constantly urged by you was made, in the number of persons employed and in their wages, in the service of the company, the result of which are thus shewn:—

On repairs of Railway, Main Stem.

2 Supervisors at	$45 per month each,	per annum,	$1,080 00
2 Horses at	$18 do. do.	do.	432 00
Reduction in wages of men,		do.	3,006 72
			$4,518 72

On repairs of Railway, Washington Branch.

Reduction in wages of men and horse hire, per annum, - - - - - - - - -		1,704 00

On repairs of Machinery, M. S. and W. B.

Reduction in wages of men,	per annum,	3,494 16

On construction of Machinery.

Reduction in wages of men, amounting per month to $111\frac{4}{100}$, which, for three months, the time these men will be required, will be - - - - -	335 88
On wages of force engaged in preparing materials for the construction and repairs of railway, bridges, water stations, switches, &c., the reduction has been per annum - - - - - - -	776 88
Total estimated saving per annum, -	$10,829 64

I may here add, that in determining upon the recent reduction of forces, and curtailment of wages, I was wholly governed by a strong desire to affect the saving without prejudice to the interests of the company.

It may be said, that as the sub-divisions on the Main Stem, in one instance, has been extended to 21 miles in length, the Washington Branch being but 31 miles, and of a more substantial construction, might be placed under the supervision of one man. It must be recollected however, that the amount of labour consequent upon the extensive and continued slipping in the several deep cuts is much greater upon that road, than upon any equal extent of the Main Stem—hence it is believed, no further reduction can be at present effected in the supervisory force on that road.

With a view farther to satisfy you of the economy of the operations of the Main Stem and Washington Branch of this road, I have obtained from the Philadelphia and the Susquehanna Roads, information which enables me to make the following comparisons; which, having in view the advantages enjoyed by these roads in several important particulars, exhibit results very favorable to this Company.

Repairs of Road and Bridges.

The Philadelphia, Wilmington and Baltimore Rail Road Company have on 91 miles of their road, eight supervisors of repairs—	
1 from Canton to Havre de Grace, at per annum,	$1,000
7 from the Susquehanna river to Gray's Ferry at $1 25 per day, - - - - - - - - - -	3,150
Total cost of local supervision, - -	$4,150

Or at the rate of $45.60 per mile per annum.

Under these men there are 59 carpenters and labourers, receiving from 87½ cents to $1.35—or an average for the whole number of men employed of 93 cents per day. Besides these they have 7 men engaged on the repairs of bridges, one of whom receives $2 per day, four $1.25, and two 87½ cents per day—or an average of $1.25 per day for the whole number.

The Baltimore and Susquehanna Rail Road Company have on 56½ miles of their road, two supervisors, at $50 per month each—making per annum for local supervision, $1,200—or at the rate of $21.24 per mile. They have under these supervisors 26 men, receiving from 75 cents to $1.25—or an average for the whole number employed of 82¾ cents per day.

The Baltimore and Ohio Rail Road Company have on 85½ miles of the Main Stem, (including lateral branch to Frederick,) five supervisors:

1 at $60 per month, and 1 at $50—making together, per annum,	$1,320
3 at $45 per month,	1,620
Total cost of local supervision,	$2,140

Or at the rate of $34.34 per mile. They have under these supervisors 87 men, receiving various rates of pay, from 75 cents to $1.12½—or an average of 80½ cents per day for the whole number employed.

They have also engaged at Mount Clare Depot in preparing materials for the construction and repairs of railway, bridges, depots, water stations, and swithes, 18 men and 1 boy, the men receiving from 75 cents to $1.75—or an avarage of $1.25.

On the Washington Branch road, 31 miles in length, they have two supervisors at $50 per month each—making per annum $1,200—or at the rate of $38.71 per mile of road; under these supervisors there are 45 men, receiving from 75 cents to 94 cents—or an average of 79½ cents per day.

From the above, it will be perceived that the cost of local supervision per mile, on both the Main Stem and Branch Roads, is much less than upon the Philadelphia, Wilmington and Baltimore Rail Road, the one approaching nearest in character to that of the Baltimore and Ohio Rail Road and its Branch to Washington.—The Baltimore and Susquehanna Rail Road being constructed in a very substantial manner, and through a country not liable to slips, and well adapted to drainage, does not require the close and minute supervision necessary upon either of the other roads in question; hence the reason that upon that road the local supervision may and in fact should cost less per mile.

It will be seen, however, that the average rate of wages paid by this company is about 14 per cent. below the average paid by the Philadelphia Company, and about 3 per cent. below the average paid by the Baltimore and Susquehanna Rail Road Company.

REPAIRS OF MACHINERY.

The Philadelphia, Wilmington and Baltimore Rail Road Company (having 14 locomotives, 6 in regular service, 20 eight wheeled and 6 four wheeled passenger cars, and 23 eight wheeled and 40 four wheeled burden cars) have 2 foremen or superintendents of repairs, viz: 1 at Canton and 1 at Wilminton, each receiving $65 per month, making per annum $1,560, or at the of $111.43 for each locomotive engine. Under these 2 foremen there are 14 men (mechanics and labourers) receiving from $1 to $1.75, or an average for the whole number of $1.31 per day. This company have all of their best and most expensive work (requiring a better class of mechanics) done in the shops of individuals.

The Baltimore and Susquehanna Rail Road Company (having 14 locomotives, about 5 in constant service, 8 eight wheeled passenger cars, 41 eight and 132 four wheeled burden cars) have 1 foreman and 1 assistant foreman, the former receiving $900, the latter $600, making in all $1,500 per annum, or at the rate of $107.14 for each locomotive engine. They have under these foremen 24 men and 7 boys (or apprentices) the men receiving from 87½ cts. to $1.75, or an average for the whole of $1.30 per day. They also have a clerk at $400 per annum to keep the time of these men and examine accounts connected with the depot of machinery, &c.

This company as well as the Philadelphia, Wilmington and Baltimore Rail Road Company, had during the last year much of their best work done in the shops of individuals.

The Baltimore and Ohio Rail Road Company (having for both the Main Stem and Washington Branch Roads, 30 locomotives, from 15 to 16 in regular service, 30 eight wheeled passenger cars, 411 eight and 398 four wheeled burden cars) have in their shops at Mount Clare attending to the locomotive department, 1 foreman and 1 assistant foreman. The foreman receiving $1,000, and the assistant $720 per annum, or at the rate of $57.33 for each locomotive. Under these foremen and in every branch of the department of machinery, they have 165 men and 5 boys (or apprentices) the men receiving from 80 cts. to $2, or an average for the whole number (including master carpenter) at 1.25\frac{4}{10}$ per day. About 50 of these men are engaged in the construction of passenger cars for the new road. There is also employed to keep the time of men, and to attend to receiving and weighing materials for the machine shop and foundry, 1 man at $45 per month.

Upon examination of the above it will be perceived that the average rate of wages paid by the Baltimore and Ohio Rail Road Company is from 4 to 5 per cent. below the average paid by either of the other companies named. Notwithstanding that the Baltimore and Ohio Rail Road Company have all of their work of every destription done in their own shops, in the best manner, and at the minimum cost.

The following statement exhibits the rate of wages paid for Mechanics and others by the Companies and Individuals therein named.

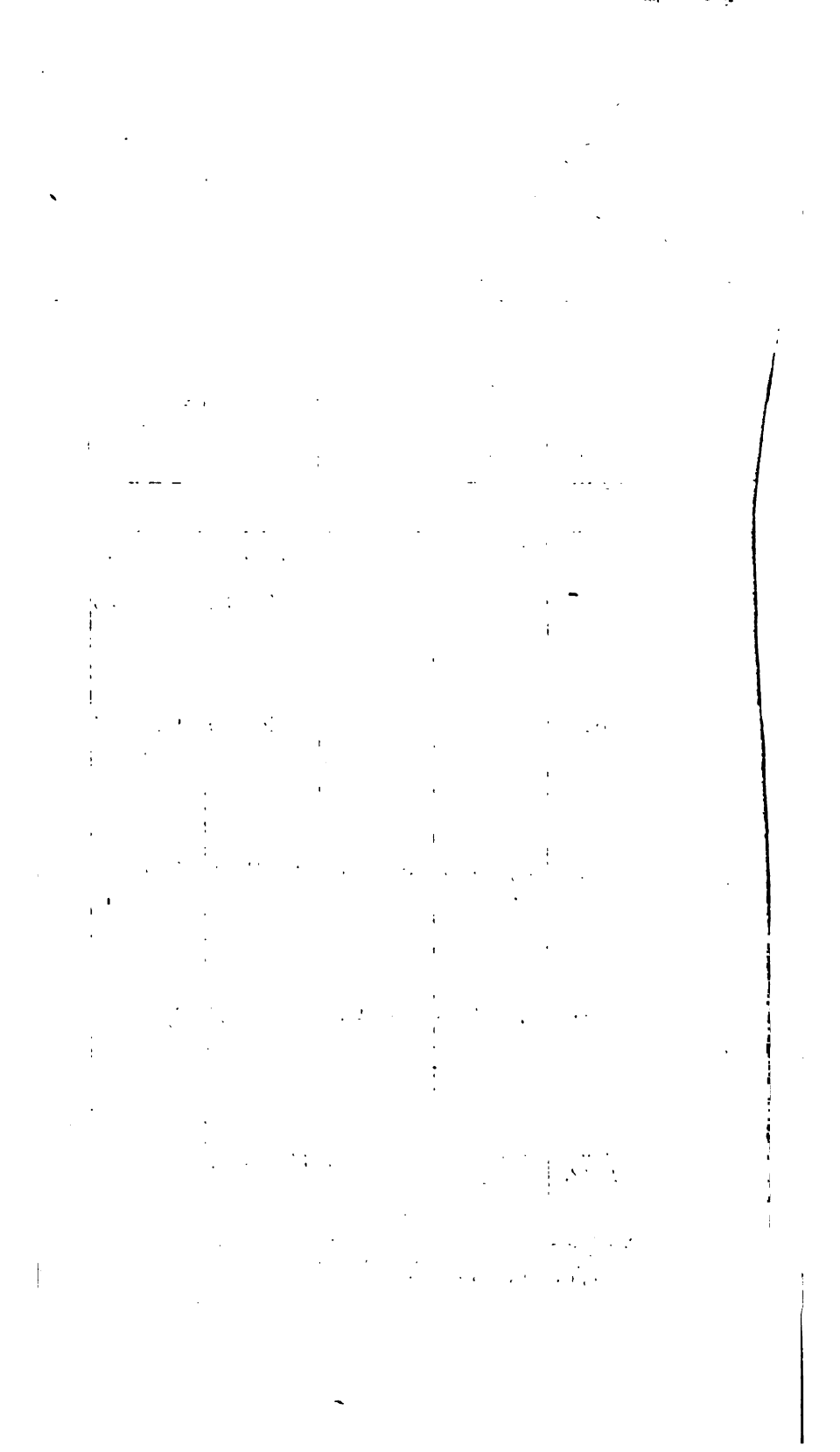
Occupation.	Baltimore and Ohio R. Road Company.	Baltimore and Susquehanna Rail Road Company.	Philadelphia, Wilmington and Baltimore R. Road Co.	John Watchman.	Wells and Miller.	Daniels and Denmeade.	Trade in General.
	FROM	FROM	FROM	FROM	FROM	FROM	FROM
	$ $	$ $	$ $	$ $	$ $	$ $	$ $
Finishers, - -	1.25 to 1.58	1.25 to 1.50	– 1.33	1.25 to 2.00	– 1.66	– –	– –
Smiths, - -	1.25 to 1.66	1.12 to 1.75	1.25 to 1.75	1.33 to 1.66	– 1.66	1.42 –	– –
Boiler Makers, -	1.25 to 1.66	1.12 to 1.75	– –	1.17 to 2.00	1.33 –	– –	– –
Foundry Men, -	1.17 to 2.00	– 1.50	– –	– 2.00	– 2.00	1.50 –	– –
Pattern Makers, -	1.50 to 1.75	1.25 –	– –	1.50 to 1.66	– 1.66	– –	– –
Carpenters, - -	1.25 to 1.37	1.25 –	1.25 to 1.50	– –	– –	– –	1.25 to 1.50
Coach Makers, -	1.37 to 1.50	– –	– –	– –	– –	– –	1.50 to 2.00
Painters, - -	1.37 to 1.42	1.25 –	1.50 –	– –	– –	– –	1.50 –
Trimmers, - -	1.25 to 1.42	– –	– –	– –	– –	– –	1.37 to 1.50
Helpers, - -	80 to 92	– 87	1.00 –	75 Apprent.	83 Apprent.	92 –	– –
Labourers, - -	75 to 1.00	75 to 1.25	87 to 1.00	– –	– –	– –	75 to 1.00

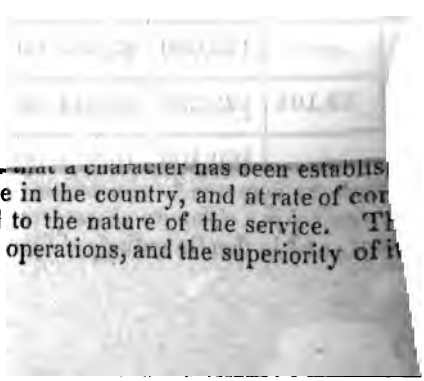
The statements of the foregoing report have been very carefully and laboriously prepared, and are the condensation of the tables which are annexed hereto, A. B. and C. to which reference is made for details which could not be put into the body of this report without involving it more than was deemed desirable, when the object was to state facts in such a way that the most important results could be at once and readily understood. A. repairs of road. B. repairs of locomotives, and C. the working of the road.

Very respectfully,

JAMES MURRAY.

UNIV. OF MICH.





OFFICE OF TRANSPORTATION,
April 28, 1842.

Hon. LOUIS MCLANE,

Pres't Balt. and Ohio Rail Road Co.

Sir: In acknowledging the receipt of the resolution of the board of directors of this company, adopted at their meeting on Wednesday the 13th instant, which requires the officers charged with the several departments "to reduce expenses as much as they possibly can, and to report such reduction to the next meeting of the board." I would respectfully premise that my attention has been unremittingly directed to the economizing of the expenditures of the department entrusted to my management, as well by my own sense of duty to the company, as by the constant and earnest solicitude evinced by yourself upon the subject as manifested by your repeated instructions and directions in relation thereto—under which many and important reductions have been effected, as will appear by the accompanying statements.

It would be difficult, except at a very great consumption of time and labor, (which, from the nature and extent of my daily avocations I am unable at this time to devote to this object) to state in detail, and in the order in which they have occurred, the several changes and retrenchments which have been made from time to time, by your special direction in particular cases, and under your general instructions "to reduce the expenses of the department as far as was consistent with the general efficiency of the service, and the safety of the passengers and property committed to the care of the company."

The reductions which have been made from time to time in the expenses of the department, have been effected, not so much by a diminution of wages, as by a reduction of the number of employees. Wherever it was believed a reduction of wages could be made without prejudice to the service, it has been promptly done, but the chief consideration has been to place the working of the road in charge of the least number of hands necessary for the efficiency and regularity of its operations, and to give to them such wages as would ensure the most competent individuals. By pursuing this course it is believed that a character has been established for the road second to none in the country, and at rate of compensation not disproportioned to the nature of the service. The regularity and certainty of its operations, and the superiority of its

police is the subject, almost of daily remark, by travellers, and the files of the Inspection Office of the Post Office Department will show that this company is chargeable with a less number of failures to deliver in time than any rail road contractors in the country. The punctual arrival of the several trains in this city is well known to the directors, and will contrast, it is believed, most favorably, with the operations of any other road in the United States—confined as they are almost exclusively to a single track, and working night and day over heavier grades and worse curves than any other road known to be worked with locomotive steam power. When delays *do* occur, as they sometimes *will*, from the breaking of machinery or other unavoidable causes, they are rendered of shorter duration than they otherwise would be, by the experience and diligence of the persons employed. To preserve this character for efficiency the same diligence must be maintained which it is believed could not be done under a further reduction of wages. There can be no doubt that under a reduction of wages many of the most efficient of the employees would leave the service, and if from the force of circumstances any of them would be obliged to remain, their attachment to the service would be measurably abated, their spirits broken, and as a necessary consequence their efficiency greatly diminished, if not entirely destroyed.

There are other considerations which have had great weight in determining the question of reduction, more immediately applicable to the several agents through whom the revenue of the company is received. The agents who are now thus employed, it is believed are men of strict integrity, who faithfully account for the money coming into their hands, the several depot agents especially, by their prompt compliance with the late regulation of the board, requiring them to enter into bond, and by the character of the security which they have severally given, have offered the best evidence of the standing which they maintain with those who best know them. It will not be denied that it is a matter of the utmost importance to the interests of the company, that these offices should be filled with men of this description, and the question presents itself can they be so filled under a reduction of wages? It is my opinion that they cannot. The pay of a large proportion of the mercantile clerks of this city is not less, but in many cases more, than the wages of these agents, whilst the labor, as well as the responsibility, of the latter, is much greater. The former commence their labors a 7 or 8 o'clock in the morning, and terminate them at an early hour in the afternoon, and have but little, if any, money responsibility,—whilst the latter, besides their heavy money responsibilities, must give their time and attention to their duties the entire day, and during much of the night, depriving themselves of those hours of recreation and social intercourse which are common to almost every other employment. This latter feature is a common characteristic of the service in this department, and is therein entirely different from the labor in the ordina-

ry avocations of life which is usually performed in the day-time—the company's employees having to labor whenever it is required, either day or night, and indeed frequently day and night consecutively, as well as on the Sabbath. I would further remark in reference to the laborers and operatives in the service of this company, that the nature of their employment generally is very different from that of those who labor under the ten hour system. The team drivers for instance are engaged with their stock before daylight in the morning, and frequently, during fluctuations in business, do not terminate their day's labor in the street until 9 o'clock at night; after which they have to groom and feed their horses; the only cessation from work, during working hours, being the short time taken for their meals, or while their horses are feeding. They also are required to work on the Sabbath in regulating the passenger cars of the several trains that are constantly coming in and going out, and for these reasons are supposed entitled to receive five dollars per month more than common daily laborers that work only on working days and during regular working hours. The conductors of the trains are men of character and integrity; and the enginemen are without exception sober and competent men, whose responsibilities can be readily understood when you reflect that upon their presence of mind, independent of mere skill, depends the safety of the passengers and property in the trains. The firemen and brakemen have also their full share of labor and responsibility: while the train is in motion their vigilance must be unceasing, and if an obstruction is met with by the engine, their action must be instant and judicious, otherwise irreparable injury to persons and property may be the result. The watchman at Harpers Ferry, and Mount Clare Depot, receive $5 per month more than the watchman at Washington or Pratt street Depot, because of their exposed situation, and in consideration of their assisting, during part of the day, in the handling of fuel for the engines.

I would be permitted to observe that in fixing the wages of the employees in this department, I have not arbitrarily assumed what I imagined was a sufficient compensation, but I have carefully watched the persons employed—compared their wages with their labor,—and made such changes as observation and experience suggested. In this way a reduction of annual wages (including the force of men and horses dispensed with by the alterations at the Inclined Planes,) has been made since 1837, amounting in the aggregate to $28,571.40, as shewn by the accompanying table marked A. At various periods since 1837, the reduction in the wages of employees still in the service of the company, has amounted to $4,847.76, as exhibited by tabular statement B,—in addition to which the expenses of the department were still further reduced by the following removals and changes which went into effect on the 1st of the present month. Viz: By dispensing with the services of

3 Tonnage Drivers in streets, at $30 per month,		$90 00
2 Regulating do. at Mount Clare,		60 00
2 Stable Keepers and Ostlers, at do.		60 00
3 Enginemen, at $2 per day,		180 00
3 Firemen, at $35 per month,		105 00
3 Tonnage Brakemen, 1 at $40, and 2 at $30 per month,		100 00
1 Laborer at Frederick, at $25 per month,		25 00
1 do. at Harpers Ferry, at $25 per month,		25 00
1 Team Driver, at do. at $30 per month,		30 00
Maintenance of horse, at Harpers Ferry,		13 00
And a reduction in the wages of the watchman at Frederick,		4 00
Per month,		$692 00
Per annum,		$8,304 00

These items of reduction, depending as they do on the business of the road, cannot be considered as permanent, but will rise or fall as the tonnage business increases or diminishes.

For a detailed exhibit of the revenue and expenses of the road, for each year since 1837, as compared with the operations of other works, I beg leave to refer to tabular statement C, accompanying the report of Mr. James Murray, engineer of machinery.

Respectfully submitted,

W. S. WOODSIDE,

Superintendent Transportation, &c.

A.

Expenses permanently reduced in the Department of Transportation since the year 1837,—*viz:*

NATURE OF REDUCTION.	AMOUNT.
Principal and Assistant Drivers, Brakemen, Ostlers, Blacksmiths, and Watchman at Inclined Planes, as shewn by pay roll for March, 1838,	$815 50
Maintenance and wear and tear of stock,—including shoeing, medicine and repairs of harness—as shewn by report to the board of directors, dated 13th February, 1838, - - - - - -	1,042 80
Salary of clerk to superintendent of transportation,	41 66
Do. of Ticket Agent at Pratt street Depot,	66 66
Do. of Agent at Point of Rocks, - - -	35 00
Do. of do. at Berlin, - - - -	33 33
Do. of do. at Stone Quarries, - - -	10 00
Do. of Clerk at Harpers Ferry, - - -	40 00
Do. of Assistant Supervisor of cars in streets,	40 00
Pay of laborer at Point of Rocks, - - -	30 00
Pay of regulating driver at Monocacy, - -	25 00
Maintenance of horse at do. - - -	13 00
Pay of 2 laborers at Pratt street Depot, - -	60 00
Pay of tonnage and passenger brakemen to Ellicotts Mills, - - - - - - - -	60 00
Pay of yard driver at Ellicotts Mills, - -	30 00
Maintenance of horse at do. - - -	13 00
Pay of laborer at Plane No. 4, - - - -	25 00
Per month, - - -	$2,380 95
Per annum, - - -	$28,571 40

B.

Reduction in Wages of Employees since 1837,—*viz:*

NATURE OF REDUCTION.	AMOUNT.
Difference in salary of the present and former superintendent of transportation, - - - - -	$41 67
Reduction in salary of Agent at Harpers Ferry,	8 33
Do. in salary of collecting agent of Baltimore,	16 66
Do. in salaries of clerks at Pratt street Depot,	11 66
Do. in hire of laborers and watchman at do.	20 00
Do. in salaries of agents at Mount Clare Depot, - - - - - - - -	25 66
Do. in salary of agent at Ellicotts Mills,	30 00
Do. in pay of conductor at do. - -	10 00
Saving from alteration in the mode of employing the tonnage conductors, viz: by retaining only two as way conductors, at reduced salaries, and substituting brakemen for the others at $30 per month, instead of $55 per month, their former rate of pay,	80 00
Reduction in the wages of 16 firemen, (the average number employed during the year,) from $45 to $35 per month, - - - - - - -	160 00
Per month, - - -	$403 98
Per annum, - - -	$4,847 76

ENGINEER'S OFFICE, BALT. AND OHIO RAIL ROAD,
Baltimore, April 21st, 1842.

To LOUIS MCLANE, ESQ.
Pres't. Balt. and Ohio Rail Road Co.

SIR: A resolution of the board of the 13th instant calls upon me as one of the officers charged with a department of the service, to "reduce its expenses as much as I possibly can, and to report such reduction to the next meeting of the board."

In a sincere desire to yield the fullest obedience to this requirement, I have given an earnest and attentive consideration to the subject of it, and now most respectfully present the following communication thereupon.

At the outset of the work west of Harpers Ferry in the fall of 1839, an organization of the engineer corps for the superintendance of the construction was made, and was, as then believed, no more extensive or costly than the exigencies of the service required. The work had been commenced with great vigor, and its progress it was supposed, would be so rapid as to finish it in the space of two years. A large force of hands was to be put upon the road, and the engineer corps had to be proportionably strong. Before much time, however, had elapsed, financial difficulties began to arise, and it became manifest that the speed with which the work was carried on must be diminished. A check being thus given to its advance, the force upon the line was thenceforth kept much below what would under different circumstances have been employed; and as it was believed that a smaller number of engineers and assistants would suffice for the direction of the contractors, the corps was accordingly reduced in October of that year from 3 division and 15 residents, to 2 division and 11 resident engineers, with their proper complement of subordinates. The local supervisors of masonry, &c. were also discharged as it became from time to time practicable to dispense with their services, on account of the completion of the structures which they had severally in charge, and in the wish to promote economy in the service the employment of a class of superintendents always heretofore employed—viz. Supervisors of laying the rails, has been omitted.

The experience of the two years and a half which have elapsed since the autumn of 1839, has clearly demonstrated that this reduced force of assistants has been no more than sufficient to ensure a proper supervision and control of the work.

That the expenses of the corps have at the same time been altogether reasonable, is very clearly shewn in the report of the 4th inst. which I had the honor to address you on this subject, and to which I beg leave to refer. Therein it is shewn that, in comparision with five other important railways in the United States, these expenses are less than those of any one of the number, inasmuch as they are less per mile per annum and form a smaller per centage upon the probable cost of the work. Had the means of the company permitted them to complete the road from Harpers Ferry to Cumberland in two years, instead of three years and upwards, this proportion would have been still further diminished, and would not probably have exceeded two and a half per cent. upon the total expenditure.

If now we look from the general results into the detail of the engineer service, there will be found nothing to complain of. Of the arduousness and responsibility of the station held by myself, it is scarcely necessary for me to say more than that its duties most fully and laboriously occupy the whole of my time, both upon the line of the road and in the office; while the compensation received, in view especially of the heavy travelling expenses to which I am subjected, and in comparison with the pay of engineers of equal standing in other services, is, it might readily be shewn, exceedingly moderate.

The duties of the two division engineers, each having charge of about 50 miles of road, are very laborious, and involve also much expense in travelling. These officers are indispensible to the proper superintendence of the work upon so long a line, and their pay ($1,600 per annum) is certainly not too high, particularly if the risks to which their disbursement of the company's funds upon the line expose them, are considered.

The resident engineers are also a very important grade of officers, as the superintendence and measurement of the work in its details devolve upon them. Their pay (from $2 to $3 per diem according to the length of their residencies, &c.) is lower than that allowed for similar services upon most other works, and a smaller compensation would not command the requisite skill and experience. The vanemen and axemen upon each residency are essentialy to the performance of the duties of the resident engineers; and their pay (from 75 cents to $1.50 per day) is moderate. There are at present but two local superintendents upon the line. One of these is employed in overlooking the extensive bridge work, &c. at Harpers Ferry, and in forwarding the lumber and iron. The other superintends the brick and stone work of the tunnel arching. The pay (from $2 to $2.50 per day) of these agents is no more than commensurate to their services.

The superintendent of the construction of water stations west of Harpers Ferry (Allen Raney) is an officer employed under authority of the board upon the recommendation of my report relating to those works, dated March 19th, 1841. His services are indispensably necessary to them, and the experience, skill and

fidelity with which he discharges his trust, renders them of the highest value to the company. He also performs incidental services to the finished section of the road while passing to and fro between Harpers Ferry and Baltimore, and while superintending here the shop work of the water tanks, pumps, &c. executed at Mount Clare, and thence forwarded to the line. His pay of $60 per month is considered very reasonable, and his loss, were he to leave the service, would under the circumstances be almost irreparable.

Such, I beg leave to represent, are my views, in regard to the present condition and requirements of the engineer service of this company connected with the road west of Harpers Ferry.

In regard to the wished for reductions in the number and expense of the corps, I respectfully say, that, while the work is, as now, progressing with more or less rapidity upon every residency on the whole line, no reduction can be made. The engineer and his assistants being as necessary to the progress of the work as the contractor and his hands.

On, or, it is hoped, perhaps somewhat before, the 1st of June coming, the completion of the road to Hancock will enable this department to dispense with the services of five resident engineers, at an aggregate pay of $13.50 per day, with six vanemen, at together $7.75 per day, and four axemen at $3.25 per day, and one local superintendent at $2.50 per day—making in all $27 per day, or (including office expenses and contingencies) about $900 per month.

From thence out to the completion of the remaining 55 miles of the road from Hancock to Cumberland, the monthly pay roll of the engineer corps superintending construction, will be from $1,300 to $1,400, instead of from $2,200 to $2,300 as at present.

If in addition to these contemplated certain reductions in the corps, which will be due to the early opening of the road to Hancock, it will be found practicable and expedient in consequence of the manner in which different sections of the rail laying will advance, to discharge or suspend any of the engineers west of Hancock before the road is finished to Cumberland, this shall be done.. And in conclusion, I would again respectfully assure the board that no proper opportunity of a retrenchment in the expenses of my department will be suffered to pass unimproved.

I have the honour to be, sir,

Your obed't serv't,

Signed, BENJ. H. LATROBE,

Engineer, &c. Balt. and Ohio Rail Road.

OFFICE OF THE BALT. AND OHIO RAIL ROAD CO.

April 29th, 1842.

To the HON. LOUIS MCLANE,

Pres't. Balt. and Ohio Rail Road Co.

DEAR SIR,—The following resolution, passed at their meeting on the 13th instant, by the board, viz: "That the president and the officers charged with the several departments, be instructed to reduce the expenses as much as they possibly can, and to report such reduction to the next meeting of the board," appears to to me not only to call for a report of a reduction of expenses, where the same can be made; but also that proper and sufficient reasons should be given where it cannot be done with justice to the parties concerned, or without injuriously affecting the interests of the company.

In order, therefore, to arrive at those reasons, with regard to my department, it seems necessary to take a retrospective view of its organization previous, and for a short time subsequently to your becoming the president of the company, and to trace it along through several years down to the present period, comparing the duties and expenses at the different times, and also making a comparison with the duties and expenses of other similar offices.

On the 5th of July, 1837, a committee of inspection, was, at your request, appointed to co-operate with you "in promptly making a thorough inspection and investigation into the affairs of the company, with a view to provide for the proper appropriation of the future income, and to ascertain the practicability of an efficient organization in the management of the operations of the business generally, and with authority adequate to these objects." This committee consisted of Messrs. White, Williams and Patterson; and on the 4th of October, 1837, it was enlarged by the addition of Messrs. Cooke and Evans.

Under date of the 12th of September, 1837, after several previous conversations with you on the subject, I made, under your direction, a report to you, on the then organization of my department. In this report I stated, that "the principal object to be attained was the concentration of all and every description of information relating to the road, and its operations, with the least possible delay in the company's office," and with this view I suggested the propriety of having all payments of money, as far as might be practicable, made immediately and directly from the office, instead of by the persons in charge of the different departments. From the books at that time, nothing could be ascertained but the payments *in gross*, made by each department during the quarter; and the details of the payments were only to be found

by reference to the vouchers. The state of the company's finances (unless as soon as an appropriation was made, the company without waiting for the money to be expended, should forego all farther benefit of it) could only be ascertained by application to the head of each department to know what amount of money he had on hand; and many of the officers having duties which called them frequently from the city, this was often attended with great inconvenience, and was sometimes even impracticable. I suggested also in this report, some modifications in the system of collecting the revenue, so that it might be received at less distant periods; and I stated that if the organization I proposed were adopted, the duties of my department would be so considerably increased, as to require the assistance of an additional clerk to accomplish them.

On the 10th of January, 1838, the committee on inspection made a report, which was adopted by the board, and of which the following is an extract, viz:

"The department of accounts should be in the office of the company, and so arranged as to concentrate all payments and other matters in the office. The accompanying letter from the secretary, prepared under the direction of the president, will afford a sufficient idea of the mode of arranging this department."

The committee also show that under the then arrangement, the sum of $10,140 per annum is paid to certain officers, and that under the system proposed, and which includes $500 per annum for an additional clerk in the office, there will be paid but $8,140, and thereby be a yearly saving of $2,000.

On the 14th of February, 1838, the treasurer notified the board of his intention to resign at the end of the current quarter, and the subject was referred to a committee consisting of Messrs. J. I. Donaldson, Hawkins, Cohen, Evens and White, who on the 7th of March following submitted a report which was adopted by the board, recommending that the office of treasurer should be abolished.

On the 1st of April, 1838, the system proposed by the committee on inspection in their report, and adopted by the board on the 10th of January preceding, commenced, and an additional clerk was brought in the office. At their meeting on the 4th of April, 1838, the board increased the salary of the clerk who had been for some time in the office, from $500 to $700 per annum; and on the 2nd of May following, they increased the wages of the porter from $16 to $20 per month, or $240 per annum; and although the duties of the treasurer, which had devolved upon me, and the new organization of my department had greatly increased my labour and responsibility, my salary remained unchanged until the 1st of October, 1838, when the board, at the recommendation of Mr. White, seconded by Mr. Samuel I. Donaldson, decided that I was entitled to the sum which had been paid to the treasurer, viz: $500 per annum, thereby increasing my salary from that date to $2,000 per annum, and at the same time requiring me to

give bond with two sureties to be approved by the board, in the penalty of $20,000 for the faithful performance of my duties."

The bond was accordingly prepared by the company's counsel, and at the next meeting, 7th November, 1838, was submitted to, and approved by the board. The salaries then stood as follows, viz: the secretary's $2,000, 2 clerks $700 and $500, the porter's $240, making in all $3,440 per annum, and these have since that period remained without alteration.

At that time, nor for many months subsequently, the extension of the road beyond Harpers Ferry was not commenced, and which has since greatly increased the labour in the office. The revenues of both the Main Stem and Washington Branch Roads, have greatly increased, and a comparison through several years shows the following, viz:

Main Stem.

	1838	1839	1840	1841
Gross revenue,	$365,224 32	407,347 50	432,883 70	391,069 87
Net revenue,	48,479 53	68,599 70	142,828 70	135,458 86

For the six months ending the 31st of March last, the gross revenue has been $208,633.24, and the net revenue $103,367.24, being upwards of five per cent. per annum on the capital invested.

Washington Branch.

	1838	1839	1840	1841
Gross revenue,	$188,260 87	194,075 17	202,755 63	231,700 53
Net revenue,	76,666 34	76,186 80	77,244 55	104,151 73

For the six months ending the 31st of March last, the gross revenue has been $105,454.01, and the net revenue after deducting the State's bonus yet unpaid for the half year ending the 31st of December last, $46,895.31.

Thus it will be seen that the resposibilities of the office have been greatly increased by the receipts of larger sums of money, and which are returned at much more frequent periods.

The company was unable to divide any thing among its stockholders in the Main Stem from October, 1835, until October, 1840, when a dividend of two per cent. upon the capital of that part of the road in operation was made; and in October, 1841, a dividend of the same per centage on $6,500,000 was declared; equal to 3¼ per cent. upon the finished road.

In the early part of the year 1838, when the present force in the office was deemed necessary, the issues of stock orders was not thought of, and although the duties and responsibilities of that issue have now passed away, I must beg leave to be allowed to remark, that within the last two years $1,500,000 from that source, have been received, and counted, and receipted for by me, and the same have been disbursed, a large portion of them too, not by check upon a bank, but by being counted out to the party in the office, I being held responsible in case of an error, and without any additional compensation.

When the salaries in my department were fixed in the year 1838, as they now stand, they were considered reasonable, and surely now that the labor and responsibility are vastly greater, the net earnings of the Washington Branch largely increased, and of the Main Stem more than four fold, they cannot be thought too high. If the additional clerk who was at that time brought into the office, were thought necessary, surely his services cannot now be considered less necessary. In my opinion they are indispensable, and the duties cannot be faithfully performed without them.

It requires one person constantly to keep the books, adjust the accounts of the different contractors, enter the daily payments of cash, &c.; and in order to do these things accurately, there should be little or no interruption. The other clerk is constantly engaged in examining, prior to their payment, the calculations of all the pay rolls, bills, &c. in making the transfers of stock, copying and recording all letters, minutes, &c. &c., and there are various other matters too numerous to detail, at all times to be attended to in the office. It would be impossible for me to keep the books myself, because of the constant interruptions; and my time is wholly taken up by carrying out the details of the financial matters, making the disbursements, and giving a close supervision over all the affairs of the office. The two clerks and myself are daily occupied from morning till night, and the experience of the last four years has satisfied me conclusively, that the duties of the office, cannot, with a less force, be performed, either with satisfaction to myself, or with justice to the company.

In regard to the porters I have to observe, as you are already aware, that there is in fact but one porter, properly so called, and he is the colored man *James*, who has been in the service of the company for more than twelve years in the same capacity.

At their meeting on the 5th of February, 1840, you as president, stated to the borad, "the situation of the house occupied by the company, and the affairs connected with it," and you were then authorised by a resolution of the board, "to employ a suitable person to occupy and take care of the house, and assist as porter."

The white man was, therefore, brought in chiefly and especially as a watchman, to take care of the building and property, in which capacity he acts, and his duties as porter, are assistant merely. I am perfectly persuaded that the duties of watchman cannot be dispensed with.

Soon after the company's office was removed from the Mechanics' Bank, to the building now occupied, it became apparent that it was necessary to have a watchman or other suitable person to take care of the house. In the former office, the porter of the Mechanics' Bank, who lived in the building, had the whole house in charge, and was paid by the company, a salary of $100 per annum, besides sundry trivial expenses every quarter, for washing windows, scouring floors, &c., amounting in all to about $120 per annum. A porter in the service of the engineer department,

at $15 per month, was discharged, and the wages of the porter in the transportrtion department reduced $10 per month, and the $25 per month, thus saved, are applied to the payment of the present *watchman*, who occupies the back building, and has the house in charge. The result is that the company has the services of two men, who watch the premises, and keep the house in order; attend to the offices of the president, secretary, engineers and superintendent of machinery, and do all the duties required of persons in their capacity, and pays less for services of this description, by about $120 per annum, than it did when the offices were in the building of the Mechanics' Bank.

I will not venture to assert that the duties both of watchman and porter, may not be performed in a manner by one individual, though from my observation and experience, I deem it my duty to state, that the business of the office would suffer considerable inconvenience and embarrassment from dispensing with either.

As has already been stated each and every department in the office are served by these porters. The errands and messages between the office and the banks; between the office and the outer, as well as the inner depot, are various and frequent, and of daily occurrence, and could not always be promptly performed by one man. The occasions of convening committees are also frequent and occupy parts of several days in each week in serving notices.

I would now beg leave to make some comparisons with the duties and expenses of other similar offices. * * *

of responsibility with that of the cashier of a respectable bank, and, I think, admitted that the labour was more onerous. I am informed that the salaries of the cashiers of banks are as follows, viz: of the Merchants' Bank $4,000 per annum, of the Bank of Baltimore $3,000 and a house, of the Farmers and Planters' $2,500 and a house, of the Commercial and Farmers' $2,000 and a house, and of the Patapsco Bank, with a capital of only $150,000, $2,000 and a house.

Respectfully submitting the case to you, I am, &c.

J. J. ATKINSON, *Secretary.*

ENGINEER'S OFFICE, BALT. AND OHIO RAIL ROAD,
Baltimore, May 3rd, 1842.

TO SAMUEL I. DONALDSON, ESQ.
Chairman Special Committee on Retrenchment.

SIR,—I have the honour to acknowledge the receipt of a copy of the resolution passed yesterday by the committee, and requesting me to "report what scale of reductions in wages of the Engineer department can be adopted with safety to the interests of the company."

In replying to this inquiry I feel myself embarrassed for the want of such information as is necessary to make the answer a satisfactory one; the question being subtantially this—"What are the lowest rates of pay at which the several assistants of the engineer department would be willing to remain in their places, and render their services energetically and faithfully to the company?"

Want of time to communicate with them disables me from speaking with any positiveness on this head, and I trust that the committee will appreciate this reason for my failing to give a specific answer to their inquiry at this time.

The necessity of consulting these officers, manifestly grows out of the fact, that they differ entirely in their relations to the work, from those other persons (mechanics, &c.) connected with it, whose places, if vacated, may be supplied at any time. It is possible that, rather than leave the service in the present season of difficulty in procuring employment elsewhere, the assistants, or some of them, perhaps a majority of them, would consent to some reduction of pay; but although my own influence should be exerted to retain them in the service under that new condition, I am not without my fears that the larger portion of them, especially in the higher grades, would prefer retiring to remaining at smaller compensation than they now receive.

I found this impression upon my own heretofore expressed opinion, that the present rates of pay are no more than commensurate with the services rendered, and upon my knowledge that they are very natually so estimated by the assistants themselves, and upon the sense they must have of the precariousnes of their employment, and indeed the certain shortness of its continuance; those, whose duties lie altogether east of Hancock, having but a month more to serve, and those west of it not probably more than six months—indeed, as the former have already entered upon the last month of their service, no reduction which might be made could affect them. I am at present however, so confined to mere conjecture upon the present point of inquiry, that if a more specific answer be required of me, the indulgence of farther time will be indispensable. I feel satisfied that the saving (which could not made to exceed $1,200 or $1,500) to result from a reduction of the pay of the assistant engineers, would be more apparent than real; when its probable effect upon the interests of the work is duly considered. To replace by strangers the present assistants, were they (familiar as they are with every detail) to leave the service, would undoubtedly at this stage of the work most seriously, almost fatally, retard its progress and completion, and deteriorate its execution. The saving just supposed could not possibly compensate for this—nor indeed a much larger one. Entertaining these convictions, I could not recommend a reduction in the existing rates of pay of the assistant engineers, but if so desired by the committee, will communicate upon the subject with these officers as soon as may be practicable, and report the results:

Which is most respectfully submitted,

BENJAMIN H. LATROBE,

Engineer, &c. Balt. and Ohio Rail Road.

TO THE

PRESIDENT AND DIRECTORS OF THE BALTIMORE AND OHIO RAIL ROAD COMPANY.

The committee to which was referred the resolutions offered by the directors on the part of the city of Baltimore, respectfully report:

That in view of the importance of the subject confided to them, and with a strong desire of ascertaining what reduction with propriety and a due regard to the interests of the company, could be made in its expenses, your committee have carefully examined into the matter referred, and attentively read the reports made by the executive officers, and have also narrowly canvassed the different items of expenditure, to which the company is subjected.

In making this examination it became evident to your committee, that in all the departments with one exception, there have been for the last three years, gradual reductions of expenses until in their opinion, they have been brought to the lowest point to which they could be prudently extended. And that in those instances where there has been no variation within the time mentioned, the compensations allowed are not more than adequate to the duties performed.

From the late period at which the labours of your committee ceased, time has not been afforded to enter into minute details, had it been thought expedient to do so, but they are relieved from this necessity by the reports of the engineers, superintendent of transportation, and the secretary of the company, to which your committee respectfully refer the board, and which satisfactorily shew, that there has been a gradual and material reduction of expenses, and that at this time, the operations of the company are conducted on so low a scale of expenditure, that it may be advantageously compared with that of any other work of a similar character in the world.

This ought and no doubt will be a cause for congratulation to the members of this board as well as of the stockholders, and may be proudly referred to as a strong evidence of the ability and efficiency with which the affairs of the company have been managed.

Your committee do not hesitate to say that there seems to be no good reason for disturbing the salaries of the chief engineer, assistant engineer of machinery, superintendent of transportation, and the secretary of the company, or of any of the subordinates, excepting in the engineer department. To the latter the reductions before referred to, do not appear to have been extended, for

the reason probably, that the duties performed are of a more fixed character than those required in the other departments, and not subject to the continual fluctuation to which those last mentioned are liable.

In venturing to suggest a reduction of expense in the engineer corps, your committee are influenced by the consideration that the financial difficulties of the company, and the present embarrassed state of the country, demand the exercise of the strictest economy; and the increased value of money, taken in connexion with the low prices of all the necessaries of life, in their opinion justifies the measure; which they do not doubt will be cheerfully submitted to by those who will be affected by it.

As it is expected that in a few weeks the road will be completed to Hancock, and of course the services of the persons now employed on that portion of it will will be no longer required; it is proposed therefore to discharge them, from and after the 1st of June next, and your committee for that purpose recommend the adoption of the following resolution:

Resolved, That from and after the 1st of June next, or sooner if practicable, the division engineer, resident engineers, vanemen and axemen, now employed on the road between Harpers Ferry and Hancock, be discharged.

SAMUEL I. DONALDSON, *Chairman.*
JAMES HARWOOD,
COLUMBUS O'DONNELL,
WM. H. MARRIOTT.

At a meeting of the Board of Directors of the Baltimore and Ohio Rail Road Company, held on Wednesday, May 4th, the following resolution was adopted:

On motion of Mr. Giles, seconded by Mr. Harwood, it was resolved, that so much of the report of the committee and accompanying documents, as the committee who reported it may deem necessary, be printed for the use of the stockholders, and that the secretary be directed to transmit copies of the same to the Governor of the State, to the Mayor of the city, and to the members of the City Council of Baltimore.

[Document V.]

BY THE HOUSE OF DELEGATES,
February 16, 1843.

Read and ordered to be printed.

REPORT

OF THE

President of the Baltimore & Susquehanna Rail Road Co.

TO THE

COMMITTEE ON INTERNAL IMPROVEMENT,

In obedience to an Order, Feb. 3, 1843.

REPORT.

OFFICE BALT. AND SUSQUEHANNA RAIL ROAD CO.

Baltimore, Feb. 6th, 1843.

Hon. D. S. BISER,

Speaker House of Delegates.

SIR,—I had the honor to receive this morning a copy of an order of the honorable the House of Delegates of the 3rd inst., "that "the Baltimore and Susquehanna Raid Road Company, report to "the House forthwith the rates of toll per mile on coal, wood, "stone and lime, for the first twelve miles from Baltimore, and "the difference of tolls, if any, thence to York."

The order by its terms has reference to the rates of *toll* only; bnt it is presumed that it was intended to include all charges made by the company for transportation, as well as for toll, on the articles mentioned. I have the honor to enclose printed lists of the different rates of charge prescribed by the company, in March last, which were the same on the articles specified in the order as they had previously been. From these tables it will be seen, that the charges on coal, wood, stone and lime at that time were.

1. When transported in the cars of this company, 4 cents per ton of 2,000 lbs. per mile.

2. When carried in cars of other parties.

	c.	*m.*
Tolls per ton of 2,000 lbs. per mile, - -	0	6
Motive Power, - - - - - - -	1	2
Making together, - - - - - -	1	8

	c.	*m.*
The toll on the car, for each pair of wheels per mile,	0	2½
Motive Power on do. do. do. do.	0	7½
Making for each pair of wheels per mile, - -	1	0

The only alteration made since in the rates of transportation in the companys' cars, of the articles mentioned is, that coal may be brought to Baltimore, or any other point on the road—

From Wrightsville, for $1 50 per ton of 2,240 lbs.

From York, for $1 25 per do. do. subject to additional charges for loading or unloading, if either of these be done by the agents of the company. Transportation is also charged at these rates, only when the articles are carried at such periods as may suit the convenience of the company.

In the charges for toll and motive power on the same commodities, the following alterations have been made, viz:

Coal may be brought in the cars of individuals, when offered at such times as may suit the company, and not interfere with any other transportation—

From Wrightsville to Baltimore, (or intermediate points,) per ton of 2,240 lbs., for - - - - $1 12½

From York to Baltimore, do. do. do. 0 94

These sums include all charges on the cars, both when loaded and when returning empty.

Lime, limestone, wood and coal, may be transported in the cars of individuals, between any points on the road from Baltimore to York, (for those who choose to enter into such an arrangement,) for 2½ cents per ton of 2,000 lbs. per mile, including as above, charges for toll and motive power on the cars, whether loaded or returning empty.

The charges above mentioned are for the use of that part of the rail road on which steam power is used, terminating in Baltimore at the Belvidere Depot. When the company are desired to send cars on the City tracks, an additional charge is made for the horse power required. The charges are uniformly the same per mile, on every point of the road between Baltimore and York, except in regard to the transportation of coal from York, as above stated.

I have the honor to be, sir,

Very respectfully, your ob't. serv't.

CHARLES HOWARD, *President.*

RATES OF TOLL

To be charged between Baltimore and Wrightsville, from and after March 27th, 1842, on the Rail Roads between said places, being a distance of 70 miles.

No.	Class	ARTICLES.	TOLLS per 1,000 lbs. per mile. c.	m.
1	4	Agricultural implements, carts, wagons, ploughs, and mechanics' tools, necessary for the owner's individual use, when accompanied by the owner, emigrating,	1	0
2	3	Agricultural productions not particularly specified,	0	8
3	3	Ale and Porter in barrels,	0	8
4	3	Anvils,	0	8
5	3	Apples, Peaches and other green fruit,	0	8
6	1	Ashes leached and kelp,	0	3
7	3	Ashes, Pot and Pearl,	0	8
8	2	Bacon,	0	6
9	3	Barley,	0	8
10	4	Bark unground,	1	0
11	4	Bark ground,	1	0
12	3	Beef salted,	0	8
13	3	Beer,	0	8
14	1	Boards, Plank, Scantling, and all other sawed timber,	0	3
15	3	Bran and Ship stuff,	0	8
16	2	Bricks,	0	6
17	3	Buckwheat,	0	8
18	3	Butter,	0	8
19	3	Burrs, French, in blocks,	0	8
20	3	Charcoal,	0	8
21	3	Cheese,	0	8
22	3	Cider,	0	8
23	1	Clay, earth, sand and gravel,	0	3
24	1	Clay, German,	0	3
25	1	Coal, mineral,	0	3
26	4	Coffee,	1	0
27	1	Coke,	0	3
28	5	Copper, in sheets and manufactured,	1	5
29	3	Corn, Indian,	0	8
30	3	Cotton,	0	8
31	4	Deer, Buffalo and Moose skins,	1	0
32	6	Drugs and Medicines,	1	5
33	6	Dry Goods,	1	5
34	3	Earthenware,	0	6

RATES OF TOLL—Continued.

No.	Class	ARTICLES.	TOLLS per 1,000 lbs. per mile. C.	M.
35	4	Feathers,	1	0
36	1	Fish, salted,	0	3
37	2	Flour,	0	6
38	6	Furniture, household,	1	5
39	6	Furs and Peltry, except Deer, Buffalo and Moose skins,	1	5
40	5	Glassware,	1	5
41	4	Grind Stones,	1	0
42	5	Groceries, (except coffee,)	1	5
43	1	Gypsum,	0	3
44	5	Hardware and Cutlery,	1	5
45	3	Hay,	0	8
46	3	Heading and bolts for cedar ware,	0	8
47	3	Heading for barrels and hogsheads,	0	8
48	1	Hoop poles for barrels and hogsheads,	0	3
49	3	Hemp and hempen yarns,	0	8
50	5	Hides, raw, of domestic animals,	1	5
51	5	do. Spanish,	1	5
52	3	Hops,	0	8
53	1	Iron ore,	0	3
54	1	do Scraps, pigs, broken castings and blooms,	0	3
55	2	do Castings,	0	6
56	3	do Bar, rolled, slit or hammered,	0	8
57	3	Lard,	0	8
58	2	Lath sawed of less than 5 ft. in length and split laths,	0	6
59	3	Lead, bar and pigs,	0	8
60	5	do white, red and litharge,	1	5
61	5	Leather, dressed and undressed,	1	5
62	1	Lime,	0	3
63	1	Limestone,	0	3
64	5	Liquors, foreign,	1	5
65	7	Live stock, (See note below,)	*0	0
66	5	Mahogany wood,	1	5
67	1	Manure,	0	3
68	2	Marble in block,	0	6
69	3	do sawed,	0	8
70	5	do manufactured,	1	5

*Note.—LIVE STOCK.—*For Tolls and Motive Power on the Loading.*—Hogs, Sheep and Calves, each 4 mills per mile—Horses and Cattle, each 3 cents per mile.

RATES OF TOLL—Continued.

No.	Class	ARTICLES.	TOLLS per 1,000 lbs. per mile.
			C. M.
71	4	Mill stones,	1 0
72	4	Nails and spikes,	1 0
73	3	Oats,	0 8
74	5	Oil of all kinds,	1 5
75	6	Oysters,	1 5
76	5	Paints and Dye stuffs,	1 5
77	5	Paper,	1 5
78	2	Pork, salted,	0 6
79	1	Posts, split or round for fencing,	0 3
80	2	Potatoes, turnips, and other vegetables,	0 6
81	5	Queensware and Chinaware,	1 5
82	4	Rags,	1 0
83	1	Rails, split for fencing,	0 3
84	5	Ropes and cordage,	1 5
85	2	Rosin,	0 6
86	3	Rye,	0 8
87	4	Salt passing southward,	1 0
88	2	do do northward,	0 6
89	4	Seed—clover, timothy, flax & other kinds of	1 0
90	2	Shingles,	0 6
91	3	Slate for roofing,	0 8
92	3	Staves, for pipes, hogsheads and barrels,	0 8
93	3	Staves, cedar,	0 8
94	5	Steam Engines, and Sugar Mills,	1 5
95	5	Steel,	1 5
96	1	Stone, entirely unwrought,	0 3
97	2	do wrought,	0 6
98	3	Stone, soap,	0 8
99	5	Stoneware,	1 5
100	3	Straw,	0 8
101	3	Straw paper or boards,	0 8
102	3	Sills, locust,	0 8
103	3	Tallow,	0 8
104	2	Tar,	0 6
105	3	Tile,	0 8
106	2	Timber round and square,	0 6
107	5	Tin and tin ware,	1 5
108	5	Tobacco, manufactured,	1 5
109	3	do not manufactured,	0 8
110	3	Wheat,	0 8
111	2	Whiskey, and other domestic liquors,	0 6
112	4	Window glass,	1 0

RATES OF TOLL—Continued.

No.	Class	ARTICLES.	TOLLS per 1,000 lbs. per mile.
			C. M.
113	1	Wood for fuel, ...	0 3
114	3	Wool, ...	0 8
115	3	On all articles not enumerated, passing southward, . . .	0 8
116	6	On all articles not enumerated, passing northward, . . .	1 5
117		On each burthen car for each pair of wheels,	0 2½

MOTIVE POWER.

On all descriptions of Loading, in Cars, 6 mills per 1,000 lbs. per mile.

On each Burthen Car for each pair of wheels, 7½ mills per mile.

REMARKS.

Between Columbia and Baltimore, at the same rates as above, charging for crossing the Columbia bridge as for five miles of rail road.

The aggregate charges for Tolls and Motive Power between Columbia, Wrightsville, York and Baltimore, are those stated IN THE PRINTED TABLES of *Charges for Tolls and Motive Power.* Between any other points, the distance being less than 70 miles, these charges on all articles as classified above, are as follows, viz:

First Class,	1.8 mills.	*Fourth Class,*	3.8 mills.
Second Class,	2.8 "	*Fifth Class,*	5.0 "
Third Class,	3.4 "	*Sixth Class,*	5.4 "

☞The Baltimore and Susquehanna Rail Road Company also run their own Passenger and Burthen Cars over this route TAKING FREIGHT at the rates stated in the Printed Tables of Charges for *Transportation.*

☞FREIGHT received and forwarded at York by R. Bruce, and at Columbia by D. F. Griffith, Agents of the Company.

D. C. H. BORDLEY,

Superintendent Balt. and Susq. Rail Road, Baltimore.

CHARGES FOR TRANSPORTATION, *in the Cars of the Company.*

BALTIMORE AND SUSQUEHANNA Rail Road COMPANY.

March 1842.

		First Class. Per mile, per ton thro' 4.0 do less than 70 miles, 4.0				*Second Class.* Per mile, per ton thro' 4.8 do less than 70 miles, 5.3				*Third Class.* 5.3 5.8		*Fourth Class* 5.7 6.3		*Fifth Class.* 6.8 7.5		*Sixth Class* 6.8 8.0		*Seventh Class.* Each, per mile. Mills. 7.3	Cents. 5.4
		Ton, (2,000 lbs.)	100 Pounds.	BARREL. Herrings.	BARREL. Mackerel. Shad.	Ton, (2,000 lbs.)	100 Pounds.	BARREL. Flour.	BARREL. Whiskey,	Ton, (2,000 lbs.)	100 Pounds.	Ton, (2,000 lbs.)	100 Pounds.	Ton, (2,000 lbs.)	100 Pounds.	Ton, (2,000 lbs.)	100 Pounds.	Hogs, Sheep & Calves.	Horses & Cattle.
BALTIMORE, To & From.	COLUMBIA,	$3.00	.15.	.37.5	.45.	$3.60	.18.	.38.7	.54.	$3.98	.19.9	$4.28	.21.4	$5.10	.25.5	$5.10	.25.5	.54.8	$4.05
	WRIGHTSVILLE,	2.80	.14.	.35.	.42.	3.36	.16.8	.36.1	.50.4	3.70	.18.5	4.00	.20.	4.76	.23.8	4.76	.23.8	.51.1	3.78
	YORK,	2.28	.11.4	.28.5	.34.2	3.02	.15.1	.32.5	.45.3	3.30	.16.5	3.60	.18.	4.28	.21.4	4.56	.22.8	.41.6	3.08
YORK, To & From.	COLUMBIA,	.72	.03.6	.09.	.10.8	.96	.04.8	.10.3	.14.4	1.04	.05.2	1.14	.05.7	1.36	.06.8	1.44	.07.2	.13.1	.97
	WRIGHTSVILLE.	.52	.02.6	.06.5	.07.8	.69	.03.45	.07.4	.10.4	.75	.03.75	.82	.04.1	.97	.04.9	1.04	.05.2	.09.5	.70
	BALTIMORE,	2.28	.11.4	.28.5	.34.2	3.02	.15.1	.32.5	.45.3	3.30	.16.5	3.60	.18.	4.28	.21.4	4.56	.22.8	.41.6	3.08

CHARGES FOR TOLLS AND MOTIVE POWER *in Cars other than those of the Company.*

BALTIMORE AND SUSQUEHANNA Rail Road COMPANY.

March 1842.

		First Class. Per mile pr. ton thro' 1.8 do less than 70 m. 1.8				*Second Class.* Per mile pr ton thro' 2.4 do less than 70 m. 2.8				*Th'd Class.* 2.8 3.4		*F'th Class.* 3.2 3.8		*Fifth Class.* 4.2 5.0		*Sixth Class.* 4.2 5.4		*Se'th Class.* Each, pr. m. Mills .4	Cents. 3.0	CARS. *Four Wheels.* Toll, 0.5 M. P. 1.5 Per mile, 2.0	
		Ton, (2,000 lbs.)	100 Pounds.	BARREL. Herrings.	BARREL. Mackerel. Shad.	Ton, (2,000 lbs.)	100 Pounds.	BARREL. Flour.	BARREL. Whiskey,	Ton, (2,000 lbs.)	100 Pounds.	Ton, (2,000 lbs.)	100 Pounds.	Ton, (2,000 lbs.)	100 Pounds.	Ton, (2,000 lbs.)	100 Pounds.	Hogs, Sheep & Calves.	Horses & Cattle.	WHEELS. 4	WHEELS. 8
BALTIMORE, To & From.	COLUMBIA,	$1.36	.06.8	.17.	.20.4	$1.80	.09.	19.5	.27.	$2.10	.10.5	$2.40	.12.	$3.16	.15.8	$3.16	.15.8	.30.	$2.25	$1.50	$3.00
	WRIGHTSVILLE,	1.26	.06.3	.15.8	.18.9	1.68	.08.4	.18.2	.25.2	1.96	.09.8	2.24	.11.2	2.94	.14.7	2.94	.14.7	.28.	2.10	1.40	2.80
	YORK,	1.02	.05.1	.12.8	.15.3	1.60	.08.	.17.	.24.	1.94	.09.7	2.16	.10.8	2.84	.14.2	3.08	.15.4	.22.8	1.71	1.14	2.28
YORK, To & From.	COLUMBIA,	.32	.01.6	.04.	.04.8	.50	.02.5	.04.3	.07.5	.62	.03.1	.68	.03.4	.90	.04.5	.98	.04.9	.07.2	.54	.36	.72
	WRIGHTSVILLE,	.24	.01.2	.03.	.03.6	.36	.01.8	.03.8	.05.4	.44	.02.2	.50	.02.5	.66	.03.3	.70	.03.5	.05.2	.39	.26	.52
	BALTIMORE,	1.02	.05.1	.12.8	.15.3	1.60	.08.	.17.	.24.	1.94	.09.7	2.16	.10.8	2.84	.14.2	3.08	.15.4	.22.8	1.71	1.14	2.28

[Document W.]

BY THE HOUSE OF DELEGATES,
February 21, 1843.

Read and ordered to be printed.

REPORT

OF THE

COMMITTEE APPOINTED TO EXAMINE THE

STATE'S TOBACCO WAREHOUSES,

IN THE

CITY OF BALTIMORE.

REPORT.

The select committee appointed by the order of the House, adopted January 23rd, and instructed to proceed to Baltimore and enquire and examine into the condition of the tobacco warehouses in the said city—the expediency of building an additional inspection warehouse—re-building or re-constructing the No. 3 warehouse, &c. beg leave to make the following report:

That in obedience to the instructions contained in the said order, they proceeded to Baltimore, and entered into an examination of the condition and affairs of the tobacco warehouses, the result of which they herewith furnish to the House: remarking, that they attentively examined the books, &c. of the different warehouses, and believe the statement presented of the internal affairs, a correct one, being compiled with great care. The buildings of the different warehouses they found to be in good condition, with the exception of one of the houses at the No. 3 inspection, the condition of which was fully represented to this House in the report of the committee on inspections, made at the last session, and to which they would refer, without embodying it in this report, for information. There is a necessity that something should be done by the Legislature, by either re-builing or re-constructing the house alluded to, or by throwing both houses under one roof—of this, however, the committee will speak hereafter. The repairs, ordered at last session by joint resolution, to be done at one of these houses, and at No. 1 warehouse, have been done; and no repairs appears to be needed, or alterations to be made, except that spoken of, and the raising of the floor, and the wharf at the No. 2 warehouse. To provide for this latter, resolutions have already passed the House, to authorize the inspector at No. 2, to issue for proposals, to raise the floor of the warehouse and the wharf opposite, and thus provide against the dangers, to which the tobacco stored therein is exposed, from the rising of the waters, which has on two occasions covered the ground floor.

A heavy year's inspection has been done at the four warehouses, of which the committee herewith furnish a statement, compiled from the books, and which they present, for information, in detail; to show, at a glance, the magnitude of the inspections, and the importance of the fostering care of the State over them.

STATEMENT,

Of the amount of Inspections, monthly, at each Warehouse.

1842.	No. 1.	No. 2.	No. 3.	No. 4.	Amount.
January,	Hhds. 56	33	50	68	207
February,	145	2	29	114	290
March,	938	1,074	572	618	3,202
April,	1,163	1,447	1,375	1,450	5,435
May,	2,243	1,869	1,946	2,107	8,165
June,	1,820	1,911	2,103	2,364	8,198
July,	530	360	1,635	1,312	3,837
August,	1,236	1,206	1,707	1,428	5,577
Septemb'r	1,732	1,254	1,508	1,243	5,737
October,	1,044	869	563	310	2,786
November	268	776	537	113	1,694
December	386	629	366	141	1,522
Agg'ate,	11,561	11,430	12,391	11,268	46,650

From this it will be seen that the inspections of the year was exceedingly large, and increased above that of the previous year about 7,000 hogsheads; and there were inspected in January 1843, 401 hhds., being 194 more than during the same month in the year 1842. There was remaining on hand in the different warehouses, unshipped, on the 1st of January, 1842, 7,857 hhds., as follows:

At Warehouse	No. 1.	No. 2.	No. 3.	No. 4.	
	2,990	2,012	1,337	1,518—	7,857 hhds.
Insp'ted in 1842,	11,561	11,430	12,391	11,268—	46,650 "
	14,551	13,442	13,728	12,786—	54,507 "

Making in all 54,507 hogsheads, the stock of the year 1842, of which however 3 hogsheads, at No. 3 Warehouse, were condemned. The amount of shipments of tobacco from the four warehouses was also very large—in all amounting to 44,837 hogsheads, as follows:

STATEMENT,

Of the amount of Shipments during 1842.

1842.	No. 1.	No. 2.	No. 3.	No. 4.	Amount.
January,	430	206	89	155	880
February,	679	717	460	472	2,328
March,	1,193	886	527	591	3,197
April,	633	890	743	885	3,151
May,	1,259	1,520	1,195	1,269	5,243
June,	1,478	1,667	1,391	1,819	6,355
July,	1,118	968	1,171	1,612	4,869
August,	1,121	1,371	2,087	1,355	5,934
Septemb'r,	1,348	786	1,517	1,504	5,155
October,	2,084	1,485	1,234	893	5,696
Novemb'r	393	269	604	639	1,905
December	22	15	70	17	124
Agg'ate,	11,758	10,780	11,088	11,211	44,837

Leaving on hand in the several warehouses, on the 1st day of January, 1843, 9,667 hhds., as follows:

At Warehouse	No. 1.	No. 2.	No. 3.	No. 4.	
	2,793	2,662	2,637	1,575	—9,667 hhds.
And there was inspected in the month of January 1843,	75	96	143	87	—401 "

Which added to the amount on hand, makes 10,068 hhds., of which were shipped, during the month of January, 1843, 2,807 hhds., as follows:

At Warehouse	No. 1.	No. 2.	No. 3.	No. 4.	
	841	899	571	496	—2,807 hhds.

Which being deducted from the amount of 10,068 hogsheads, leaves on hand, the 1st February, 1843, 7,661 hogsheads in all the warehouses, and making the amount of shipments from the 1st of January, 1842, to the 1st of February, 1843, 47,644 hogsheads.

The committee were instructed to examine into the expenditures of the warehouses, which they did, and the vouchers thereof. They find by the books and accounts of the several Inspectors, the following amount of expenditures, in the gross, which they present for condensation in quarterly statements, with reference to the fiscal year of the warehouses, commencing on the 1st of February, 1842, and ending the 31st day of January, 1843. They are as follows:

STATEMENT.

	No. 1.	No. 2.	No. 3.	No. 4.
For the quarters ending				
April 30, 1842,	$1,638 32	1,492 98	1,513 64	1,510 75
July 31, "	2,248 12	2,159 16	3,171 93	2,686 99
Oct. 31, "	2,301 86	2,124 19	3,648 39	2,061 92
Jan. 31, 1843,	1,325 81	1,094 96	1,022 99	1,005 51
	$7,514 11	6,871 29	9,356 95	7,265 17

Of the warehouses, it will be seen that the heaviest expenditures have been made at the No. 3 Warehouse, which can be accounted for the more readily, from the fact that this warehouse was under the indispensable necessity of procuring houses by renting, for the purpose of storing out inspected tobacco, to make room for the reception of that arriving for inspection, which, with the expenses incident thereto, amounted to about $2,000. And at the No. 2 Warehouse $370 were expended by the Inspector, in putting in order the tobacco damaged by the flood, cleaning up and repairing the house, consequent upon that occurrence. The whole amount of actual expenditure during the fiscal year was $31,007 52, and the expenditure for labor was as follows:

STATEMENT.

	No. 1.	No. 2.	No. 3.	No. 4.
For the quarters ending				
April 30, 1842,	$1,104 00	862 00	814 00	838 00
July 31, "	1,582 50	1,304 00	1,503 00	1,637 75
Oct. 31, "	1,541 00	1,244 50	1,446 00	1,262 75
Jan. 31, 1843,	914 00	893 50	816 00	920 00
	$5,141 50	4,304 00	4,579 00	4,652 50

Making the entire amount expended for labor $18,677.

The expenditure for nails was as follows:

STATEMENT.

	No. 1.	No. 2.	No. 3.	No. 4.
For the quarters ending				
April 30, 1842,	$477 80	506 40	541 75	538 15
July 31, "	503 55	699 60	1,011 25	789 60
Oct. 31, "	668 75	655 85	828 70	348 15
Jan. 31, "	174 95	200 00	none.	none.
	$1,825 05	2,061 85	2,381 70	1,575 90

Making the amount for nails . . .	$7,844 50
To which add the amount for labor . .	18,677 00
Amounts to the sum of . . .	$26,521 50

Which being deducted from the amount of actual expenditures, $31,007 52, leaves the sum of $4,486 02, expended for repairs ordered at the last session to be done at Nos. 1 and 3 Warehouses: and for books, occasional repairs, tools and sundries, all of which are accounted for.

The amounts paid, during the fiscal year, to the Treasurer of the Western Shore for the tobacco fund, from each of the warehouses, were as follows:

STATEMENT.

	No. 1.	No. 2.	No. 3.	No. 4.
For the quarters ending				
April 30, 1842,	$1,570 83	1,492 98	659 36	942 37
July 31, "	2,603 00	3,154 29	1,526 32	3,203 88
Oct. 31, "	3,428 89	2,432 81	2,611 68	2,656 70
Jan. 31, 1843,	567 69	559 57	553 45	525 00
	$8,170 41	7,639 65	5,350 31	7,327 95

Exhibiting an amount paid to the Treasurer of	$28,488 82
To which add the amount of actual expenses,	31,007 52
Shows the receipts of the warehouses, for 12 months, to have been . . .	$59,496 34

The aggregate for the fiscal year is as follows:

On hand in the warehouses, February 1, 1842,	7,184 hhds.
Inspected from Feb. 1, 1842, to Feb. 1, 1843,	46,844 "
	54,028 "

Which the tobacco fund is entitled to for outage, at $1,25 per hogshead,—making an amount of $67,535—and there were shipped from February 1, 1842, to February 1, 1843, 47,437 hogsheads, for which the said fund is credited, at $1,25 per hogshead; making an amount of $59,296; and there was remaining on hand in the warehouses, February 1, 1843, 7,261 hogsheads, which, at $1,25 per hogshead, is $9,076; this added to the amount shipped, makes $68,372, from which deduct the amount which the fund is entitled to, leaves $837 received by the warehouses, for sales of scrap tobacco, extra cooperage, &c.

Of the whole amount of tobacco inspected during the year 1842, at the warehouses, there were as follows:

STATEMENT.

	No. 1.	No. 2.	No. 3.	No. 4.	Hhds.
From Ohio, . . .	244	367	5,893	5,015	11,519
" Kentueky, .	197	20	169	613	999
" Virginia, . .	29	40	56	62	187
" Indiana, .	16	. .	. .	. .	16
" Carolina, . .	2	. .	. .	. .	2
" Missouri, .	. .	20	85	. .	105
" Pennsylvania,	. .	. .	8	. .	8
	488	447	6,211	5,690	12,836
" Maryland, .	11,073	10,983	6,180	5,578	33,814
Total, . .	11,561	11,430	12,391	11,268	46,650

From which it will be seen, that the receipts of foreign tobacco are more than one-fourth of the whole amount inspected, and that the state of Ohio alone, furnishes to the Baltimore market, more than one-third as much, as does Maryland; and nearly one-fourth as much as the whole amount inspected. It will also be seen, that almost the entire bulk of the foreign tobacco, is inspected at the warehouses Nos. 3 and 4, situated on the west side of the basin, at the terminus of a lateral switch of the main stem of the Baltimore and Ohio Rail Road, and nearer in point of eligibility to the depots of the companies, who transport, upon the internal improvements of Pennsylvania; and that, whatever increase takes place in the receipts of western tobacco, must, from their situations, be received and accommodated at these warehouses.

The committee, from their investigation, can find little cause of complaint against the conduct of the affairs of the warehouses, believing as they do, that the inspectors have conducted the operations of the houses, with an eye to the great and important interest over which they are placed, to guard and protect. From their examination, it does not appear that an unnecessary amount of labor has been employed, as it requires a large number of hands to facilitate the business during the busy season, which comprehends about nine months of the year; but they believe, that if a law was passed, limiting the number of hands to each warehouse to four, the balance of the year, that much would be saved to the tobacco fund, as comparatively little is done during the months of December, January and February.

The committee are of the opinion, that there is a necessity of designating by law, a "Shipping Clerk," and a "Marker and Weigher," for each warehouse. As the law now is, but one clerk is allowed to each, and at times, even three and four extra hands, employed in these capacites, must be obtained, to facilitate inspection. By designating these as officers by law, and appointed by the inspectors, much more responsibility would

attach to their situations, and it would contribute to quiet apprehensions of malfeasance, which have gone abroad, growing out of an imagined irresponsibility on the part of any, except the inspectors and the clerk appointed by law. Some complaints having been made about the errors of weighing and shipping, the committee were induced to pay some attention to the complaints, and they accordingly caused to be re-weighed, at each warehouse, ten hogsheads indiscriminately, and found upon comparison with the former weights, some of them of recent, and some of older inspections, that there was but a slight variation, and nothing to disturb the accuracy of general average at each warehouse. They are however satisfied, that mistakes will and must occur at the warehouses, particularly in the hurry of business, as well in shipping and marking, as in weighing the tobacco. Wrong numbers and marks may be put upon hogsheads, and in consequence, an error in shipping follows; but in every instance, the mistakes as the committee learned, were either detected and rectified on the spot, or the inspector satisfying or indemnifying the owner or shipper,—more he cannot do, for it is not to be presumed, that under as heavy a bond and penalty as they are, they will suffer mistakes to take place knowingly, when they are responsible for them. The apprehensions alluded to, however, will be removed by the appointment of a shipping clerk and a weigher, who will be bound to see that all is correct. A direction ought also to be given to the inspectors, in all instances to employ the most efficient labor, and at all times when their services are most needed, provide a supply of good hands, these can always be readily obtained with but little difficulty, and while the committee cannot see any objection to an inspector employing his own hands, yet others that are needed, should be of the very best character, and no inspector should be allowed to indulge a favoriteism in selecting hands, but should always obtain the most able bodied, and best acquainted with the duties of the warehouse, as inefficient hands cannot do as much work, and besides are wasteful of nails, and impede the operations of the houses.

The committee, from the inquiries they have made, and the results of the reflections they have had upon the subject, are deeply impressed with the opinion and importance of erecting an additional warehouse. They are satisfied from the information which they obtained, that the amount of inspections will continually increase. The western states are engaging largely in the growth of tobacco, and Maryland certainly possesses advantages for its reception, inspection and shipment, that are not possessed by any of the Atlantic states. In New Orleans the planter is saddled with heavy expenses for inspection and outage. In New York and Philadelphia it is also the case, but in Baltimore there is no charge at all for inspection, and besides, there the planter gets paid one dollar for the cask, in every instance, which is done in no other city in the Union, making a difference of two dollars to the grower of the article. Besides our eligi-

bility, the cheapness of transportation to our market, the ease and rapidity with which sales are made, and so many large and heavy operations in the article being located here, gives us advantages which are no where else to be obtained. Surrounded as we are, and having in our own borders works of improvement, that have already opened channels of communication and furnished means of transport, from which we already begin to feel their beneficial effect, and invites the West to avail itself of our markets, and evinces to us the importance of our position. Those whose opinions are entitled to weight, agree, that if an additional warehouse were now built, a call would again be made, e're many years to build another. An addition to the receipts of five thousand hogsheads from Ohio alone, will be experienced, which was last year about twelve thousand. The committee would therefore urge upon the House, the importance of erecting another warehouse, remarking at the same time, that a house could be built without any expense to the State, as the contract for payment of it might be based upon the future revenues of the warehouses.

The re-building or re-constructing the No. 3 Warehouse, engaged the attention of the committee, as also a subject of importance: but this cannot be done until a new house is erected, to measurably relieve that house while the necessary construction is going on. It should, however, be done as soon as possible, as the house does not now afford facilities like to the others. The necessity of the repairs alluded to is apparent, from the fact that about two thousand dollars were here expended for storing out tobacco, with the expense incident thereto; the interest on a much greater sum than would be required to make the proposed alterations—and surely if the tobacco fund is to be annually chargable with this sum, and probably more, as a kind of interest, it would be far preferable for the fund to bear that abstraction, in the form of interest upon an amount expended, for the construction of a building—to say nothing of the value to the tobacco fund of the ownership of a substantial building.

The committee cannot refrain from again pressing the importance of erecting an additional house. If the State establishes tobacco warehouses, and invites tobacco here for inspection, it certainly is her interest to furnish all the facilities in her power to the trade: she has done this, the trade has been brought here—has increased, and is still increasing—while other States are grasping at the treasures poured into our lap; and the prospective increase calls for facilities commensurate with it. They therefore hope that the attention of the Legisture may be given to the subject.

The committee would also recommend the passage of an act or resolution, requiring the inspectors of tobacco, to issue for proposals to furnish nails, of a quality acceptable to them, believing that a great saving could be effected in that item. They could draw out their remarks to a much greater extent, but deem that

they have already in their exhibit to the House of the condition of the warehouses, and their reflections upon the results, said sufficient to call the attention of the House to the importance of the tobacco inspections, and they will make further reports by bill or otherwise.

All of which is respectfully submitted:

ZACH. H. WORTHINGTON,
WM. M. STARR.

[Document X.]

BY THE HOUSE OF DELEGATES,
February 21st, 1843.

Read and ordered to be printed.

COMMUNICATION

FROM THE

TREASURER OF THE WESTERN SHORE,

IN RELATION TO THE

CHARTER OF THE FARMERS AND MILLERS BANK.

COMMUNICATION.

WESTERN SHORE TREASURY,
Annapolis, 21st Feb. 1843.

To the Honorable,

The House of Delegates:

In obedience to their order of the 15th instant, the Treasurer furnishes copies of the commission he issued to George R. Beall, George Kealhofer, and Otho H. Williams, Esqs., in pursuance of the 10th article of the 13th section of the charter of the Farmers and Millers Bank of Hagerstown, and of the certificate he received from them—and he informs the House, as required, that thereupon he considered the sum of seventy-five thousand dollars in gold and silver coin, to have been paid to, and to have been in the possession of, the President and Directors of the said bank, as part of its capital stock—and that if, instead of stating those facts, the certificate had informed him that, "there were but eleven thousand dollars, or thereabouts, in gold and silver coin in the possession of the said President and Directors, and that two certificates of specie deposite in some other banking institutions for about sixty thousand dollars, had been counted by the said commissioners as gold and silver coin," he would have dealt with such supposed certificate, precisely as he did with that which was in fact returned—that is to say, he would have put it on file in the Treasury, to be forthcoming for the information of the General Assembly, upon the call of either branch, or of any body concerned to inquire for it. Upon neither certificate, would he have arrogated the power, to authorize the bank to go into operation. If he were requested, he would have acknowledged the receipt of, exactly such a certificate as had actually come to him—and having done so, would have done all he was required, or authorized, or at liberty to do. The authority of the company to go into operation as a banking company, emanated, if at all, from the act of the Legislature, and not from any permit of the Treasurer—and it would have been at the peril of the company, if they had gone into operation without having fully complied with the requests of their charter.

If the purpose of the order were, as he supposes, to inquire whether, if it had been the duty of the Treasurer to decide upon the sufficiency of the certificate, he would have considered specie (the property of the Farmers and Millers bank) in the possession of its President and Directors, while on deposite in some other bank of unquestioned credit at the time, he has no hesitation in answering affirmatively. If the Treasurer had specie on special deposite in the Farmers Bank of Maryland, he would consider himself far more securely in possession of it, than if it were about his person or in the Treasury office—and if he had occasion to speak of it in any report to the Legislature, it would never have occurred to him that, if he reported he had so much coin in hand, his veracity would be questionable, because the coin was in the safer custody of the bank, and not literally in his proper hands, or within the walls of the Treasury. He every year reports the balance of the treasure of the State at the end of the fiscal year, to be *in* the Treasury—every dollar of it at that time, being in one or most of the banks. If the President of the Farmers and Millers Bank, had exhibited to the Treasurer's commissioners a million of coin, it might with equal force have been questioned, whether the possession of the President could with truth be reported by them, to be the possession of the President and directors.

Which is respectfully submitted,
By their obedient servant,
GEORGE MACKUBIN,
Treasurer W. S. Md.

WESTERN SHORE TREASURY,
Annapolis, 18th August, 1840.

In pursuance of the 10th article of the 13th section of chapter 318, of the Acts of the General Assembly of Maryland, of December session 1835, entitled, "an act to incorporate the Farmers and Millers Bank of Hagerstown," George R. Beal, George Kealhofer, and Otho H. Williams, Esqrs. of Hagerstown, are hereby appointed to ascertain and report to me, "if seventy-five thousand dollars in gold and silver coin, be in the possession of the President and Directors of the said bank, as part of its capital stock."

GEORGE MACKUBIN,
Treasurer W. S. Md.

Hagerstown, Washington County, Maryland.

We, the undersigned, having been appointed by George Mackubin, Esq. Treasurer of the Western Shore of Maryland, in pursuance of the 10th article of the 13th section, of chapter 318 of the Acts of the General Assembly of Maryland, of December session, 1835, entitled, "an act to incorporate the Farmers and Millers Bank of Hagerstown," to ascertain and report to him if *seventy-five thousand dollars* in gold and silver coin be in the possession of the President and Directors of the said bank, as part of its capital stock."—Do hereby certify to the Treasurer of the Western Shore of the State of Maryland, that *seventy five thousand dollars*, in gold and silver coin, have been paid to, and are in the possession of the President and Directors of the "Farmers and Millers Bank of Hagerstown," *as part of its* capital stock.

In testimony whereof, we have hereunto set our hands, and affixed our seals, this 26th day of August, 1840.

GEORGE ROSS BEALL, (SEAL.)
GEORGE KEALHOFER, (SEAL.)
OTHO H. WILLIAMS, (SEAL.)

Witness, JONA. HAGER.

[Document Y.]

BY THE HOUSE OF DELEGATES,
February 25th, 1843.

Read and ordered to be printed.

COMMUNICATION

FROM THE

EXECUTIVE OF MARYLAND,

RELATING TO THE

STATE'S DISTRIBUTION SHARE OF THE PROCEEDS OF THE PUBLIC LANDS; AND THE INCOME AND GROUND RENT TAX LAWS.

TREASURY DEPARTMENT,
December 27th, 1842.

SIR,—I have the honor to inform you that a warrant for the sum $15,187 54 has this day issued in favor of the State of Maryland, on account of the distributive share of said State of the proceeds of the sales of the Public Lands, as authorised by the provisions of an act of Congress, approved 4th September, 1841, entitled "An act to appropriate the proceeds of the sales of the Public Lands and to grant pre-emption rights," and on the same day the said sum of $15,187 54 was placed upon the books of the Treasury to the credit of said State of Maryland on account of the indebtedness of said State to the United States.

Very respectfully, sir,
I have the honor to remain,
Your obedient servant,
W. FORWARD,
Secretary of the Treasury.

Hon. FRANCIS THOMAS,
Governor of the State of Maryland,
Annapolis, Md.

STATEMENT, &c.

TREASURY DEPARTMENT,
Comptroller's Office, 14th November, 1842.

To his Excellency

The Governor of the State of Maryland:

SIR,—I have the honor to state, that by an adjustment of the accounts of sales of the Public Lands of the United States from 1st January to 30th June, 1842, (inclusive,) made for the purpose of ascertaining the distributive shares of the several States and Territories, and District of Columbia, under the provisions of the act of 4th September, 1841, entitled "An act to appropriate the proceeds of the sales of the Public Lands, &c." it appears that the sum of $15,187 54 is due to the State of Maryland.

And the accompanying Statements, marked A, B, G and H will show how this sum has been ascertained, against which there is chargeable the following sums, viz:

In interest on $223,321 76 stock of said State held in trust by the Secretary of War for Indian trusts, and which was payable on the 1st July last, - - - - -	$1,100 92
And interest on stock of said State, held by the Treasurer of the U. S. in trust for the Chickasaw fund: viz: $24,233, in 5 per cent. stocks, payable on 1st July last, - - - - -	1,211 65
" $14,499 74, in 6 per cent. stock, ditto,	869 98
To certificate reimbursable, No. 1127, for $6,577 83 5 per cents, - - - - -	6,577 83
Interest on same from 8th August to date, 2 y. 3 mo. & 3 days, - - - - -	743 43
	19,503 81
To which account has been credited the foregoing, sum of - - - - -	15,187 54
Leaving due on account of interest, &c. -	$4,316 27

With great respect,
Your obedient servant,
J. W. McCULLOH, *Comptroller.*

(A.)

Statement of the residue of the nett proceeds of the Public Lands, sold in the half year ending 30th June, 1842, distributable among the several States and Territories of the United States and the District of Columbia, according to the act of Congress of the 4th September, 1841.

States and Territories containing Public Lands.	Amount of the purchase money of the Public Lands sold in the half year ending 30th June, 1842, as per statement herewith marked C, Nos. 1 to 12 inclusive.	Amount of Repayments during said period for land erroneously entered, as appears from the accounts of the Receivers of Public Moneys, and according to the said Statement C, Nos. 1 to 12 inclusive.	Amount of Repayments under the Act of 12th Jan. 1825, for lands illegally sold, ordered at the Treas. Department during said half year, and covered by Warrants passed to the credit of Receivers in said period, per Statement D.	Amount of the "Gross proceeds" of the public lands sold in said half year, deducting all repayments (for erroneous and illegal entries) during said period.	Amount of salaries and incidental expenses of the General Land Office for said half year, per Statement E.	Amount of disbursements by the Surveyors General for surveys during said half year, per Statement F, No. 1.
Ohio,	13,689 93	405 66	750 00	12,534 27		
Indiana,	40,720 89	1,595 36	–	39,125 53		
Illinois,	410,103 85	7,660 76	280 03	402,163 06		
Missouri	114,650 22	622 27	195 01	113,832 94		
Arkan's	18,783 72	388 03	100 00	18,295 69		
Louisi'a	42,549 82	4,172 50	–	38,377 32		
Mississ.	34,139 50	1,371 40	249 58	32,518 52	52,751 52	48,037 40
Alabam.	72,523 31	1,295 12	–	71,228 19		
Mich'n	15,594 68	100 00	–	15,494 68		
Wisk'n	50,716 50	308 00	–	50,408 50		
Iowa	40,359 90	400 00	–	39,959 90		
Florida	3,808 72	530 62	–	3,278 10		
Total,	857,641 04	18,849 72	1,574 62	837,216 70	52,751 52	48,037 40

(A.)—Continued.

States and Territories containing Public Lands.	Amount of expenditures in the offices of the Surveyors General for salaries, &c. during said half year, per Statement F, No. 2.	Amount of incidental expenses paid at the Land Offices, including salaries, commission, & allowances for transportation of the public moneys in said half year, per Statement aforesaid, C, Nos. 1 to 12 inclusive.	Amount of the Five per cent fund payable to and reserved for the use of *States* according to the several compacts admitting them into the Union, arising from the proceeds of the public lands sold therein during said half year, per Statements C, 1 to 9 inclusive.	Amount of additional allowance to said *States* of ten per cent. of the "nett proceeds" of the public lands sold therein during said half year, per Statement G, the said nett proceeds amounting to the sum of Five hundred forty-seven thousand nine hundred twenty-nine dollars ninety-four cents.	Amount of the residue of the nett proceeds of the public lands sold in the said half year, distributable among the several States and Territories and District of Columbia, in proportion to their respective federal numbers.
Ohio,		3,263 47	501 04	923 64	
Indiana,		4,960 20	1,708 27	2,883 12	
Illinois.		15,214 02	19,361 45	29,635 02	
Missouri,		6,492 74	5,376 76	8,388 24	
Arkansas,		3,401 81	749 69	1,348 19	
Louisiana,	28,146 72	7,127 07	1,562 51	2,827 99	562,144 18
Mississippi,		2,674 85	1,504 66	2,396 26	
Alabama,		6,147 88	3,254 02	5,248 74	
Michigan,		2,610 12	644 23	1,141 79	
Wiskonsan,		2,420 85	–	–	
Iowa,		1,738 86	–	–	
Florida,		629 39	–	–	
Total,	28,146 72	56,681 26	34,662 63	54,792 99	562,144 18

GENERAL LAND OFFICE, *October* 31*st* 1842.

THOS. H. BLAKE, *Commissioner*.

TREASURY DEPARTMENT,
Register's Office, *November* 7, 1842.

I certify the above to be a true copy of the original, filed on record in this office. T. L. SMITH, *Register*.

(B.)

Statement showing the respective shares of the several States and Territories of the United States and the District of Columbia, under the Distribution Act of 4th September, 1841, of the residue of the nett proceeds of the Public Lands sold in the half year ending 30th June, 1842, amounting to the sum of five hundred and sixty-two thousand one hundred and forty-four dollars $\frac{18}{100}$ths, as per statement herewith, marked A.

States and Territories and D. of Columbia.	Free Population.	Slaves.	Federal Number.	Distributive Share.
Maine,	501,793	—	501,793	17,654 90
New Hampshire,	284,573	1	284,574	9,955 64
Massachusetts,	737,698	1	737,699	25,807 92
Rhode Island,	108,825	5	108,828	3,807 28
Connecticut,	309,998	17	310,008	10,845 43
Vermont,	291,948	—	291,948	10,213 61
New York,	2,428,917	4	2,428,919	84,974 15
New Jersey,	372,632	674	373,036	13,050 42
Pennsylvania,	1,723,969	64	1,724,007	60,313 27
Delaware,	75,480	2,605	77,043	2,695 30
Maryland,	380,282	89,737	434,124	15,187 54
Virginia,	790,810	448,987	1,060,202	37,090 48
North Carolina,	507,602	245,817	655,092	22,917 97
South Carolina,	267,360	327,038	463,583	16,218 15
Georgia,	410,448	280,944	579,014	20,256 43
Alabama,	337,224	253,532	489,343	17,119 35
Mississippi,	180,440	195,211	297,567	10,410 19
Louisiana,	183,959	168,452	285,030	9,971 59
Tennessee,	646,151	183,059	755,986	26,447 68
Kentucky,	597,570	182,258	706,925	24,731 31
Ohio,	1,519,464	3	1,519,466	53,157 53
Indiana,	685,863	3	685,685	23,994 54
Illinois,	475,852	331	476,051	16,654 33
Missouri,	325,462	58,240	360,406	12,608 57
Arkansas,	77,639	19,935	88,600	3,134 60
Michigan,	212,267	—	212,267	7,426 03
Wiskonsan,	30,934	11	30,941	1,082 45
Iowa,	43,096	16	43,106	1,508 03
Florida,	28,760	25,717	44,190	1,545 96
District of Columbia,	39,108	4,694	41,834	1,463 53
Total	14,576,034	2,487,356	16,068,447	562,144 18

GENERAL LAND OFFICE, *October 31st* 1842.

THOS. H. BLAKE, *Commissioner.*

TREASURY DEPARTMENT,
Register's Office, November 7, 1842.

I certify the foregoing to be a true copy of the original filed on record in this office. T. L. SMITH, *Register.*

(G.)

Statement of the additional allowance to the States of Ohio, Indiana, Illinois Missouri, Arkansas, Louisiana, Mississippi, Alabama, and Michigan, of ten per cent. of the nett proceeds of the public lands sold therein, respectively, in the half year ending 30th June, 1842, under the distribution act of 4th September, 1841, according to the mode prescribed by the First Comptroller of the Treasury.

The total amount of the purchase money of the public lands sold in the United States and Territories, in said half year, is - -	$857,641 04
The amount of repayments during said period, (for erroneous and illegal entries,) by receivers of the public moneys, and by warrants from the Treasury, is - - - - -	20,424 34
Leaving as the "gross proceeds" of the lands for the said half year, the sum of - -	$837,216 70
The expenditures for the same period, chargeable to the public lands, agreeably to the above act, are as follows:	
1st. Salaries and expenses of the General Land Office - - - - -	$52,751 52
2d. Surveying expenses - - -	48,037 40
3d. Salaries and expenses of the officers of the Surveyors General - - - -	28,146 72
4th. Salaries, commissions, and allowances to Registers and Receivers - - -	56,681 26
5th. The amount of the five per cent. fund	34,662 63
Making, together, the sum of	$220,279 53

Then, as the total amount of the gross proceeds $837,216 70, is to the whole amount of expenses, $220,279 53, so is the amount of the gross proceeds in each State to its proportion of the whole expenses; for instance, the gross proceeds of the sales in Illinois amount to the sum of $402,163 06; therefore, as $837,216 70: $220,279 53: $402,163 06: $105,812 86, leaving as the nett proceeds for Illinois, $296,350 20; ten per cent. on which, amounts to $29,635 02.

(G.)—Continued.

States and Territories.	Gross proceeds of lands sold in the States and Territories, per statement marked A.	Proportion of expenses to be deducted, amounting to $220,279 53, per said statement.	Nett proceeds of sales, after deducting proportion of expenses from the gross proceeds.	Additional allowance of ten per cent. to each of the new States, on the nett proceeds of sales therein.
Ohio,	$12,534 27	3,297 88	9,236 39	923 64
Indiana	39,125 53	10,394 29	28,831 24	2,883 12
Illinois	402,163 06	105,812 86	296,350 20	29,635 02
Missouri	113,832 94	29,950 51	83,882 43	8,388 24
Arkansas	18,295 69	4,813 78	13,481 91	1,348 19
Louisiana	38,377 32	10,097 43	28,279 89	2,827 99
Mississippi	32,518 52	8,555 92	23,962 60	2,396 26
Alabama	71,228 19	18,740 80	52,487 39	5,248 74
Michigan	15,494 68	4,076 79	11,417 89	1,141 79
	743,570 20	195,640 26	547,929 94	
Wiskonsin, Iowa, Florida	93,646 50	24,639 27	69,007 23	
Total	$ 837,216 70	220,279 53	616,937 17	54,792 99

General Land Office, *October* 31*st*, 1842.

THOS. H. BLAKE, *Commissioner.*

Taeasury Department,
Register's Office, November 7, 1842.

I certify the foregoing to be a true copy of the original filed on record in this office. T. L. SMITH, *Register.*

(H.)

Table of Federal numbers taken from the Report of the Select Committee of the House of Representatives, (House document No. 43, of the second session Twenty-seventh Congress,) dated 22d January, 1842, to whom was referred so much of the President's Message as relates to the apportionment of Representatives among the several States, under the sixth Census, &c.

FEDERAL NUMBERS UNDER THE SIXTH CENSUS.

STATES.	Free Persons.	Slaves.	Fed'l Number.
Maine	501,793	—	501,793
New Hampshire	284,573	1	284,574
Massachusetts	737,698	1	737,699
Rhode Island	108,825	5	108,828
Connecticut	309,998	17	310,008
Vermont	291,948	—	291,948
New York	2,428,917	4	2,428,919
New Jersey	372,632	674	373,036
Pennsylvania	1,723,969	64	1,724,007
Delaware	75,480	2,605	77,043
Maryland	380,282	89,737	434,124
Virginia	790,810	448,987	1,060,202
North Carolina	507,602	245,817	655,092
South Carolina	267,036	327,038	463,583
Georgia	410,448	280,944	579,014
Alabama	337,224	253,532	489,343
Mississippi	180,440	195,211	297,567
Louisiana	183,959	168,452	285,030
Tennessee	646,151	183,059	755,986
Kentucky	597,570	182,258	706,925
Ohio	1,519,464	3	1,519,466
Indiana	685,863	3	685,865
Illinois	475,852	331	476,051
Missouri	325,462	58,240	360,406
Arkansas	77,639	19,935	89,600
Michigan	212,267	—	212,267
Total	14,434,226	2,456,918	15,908,376

(H.)—Continued.

Of the Territories and District of Columbia, from a calculation made in the Treasury from the Census.

Territories and D. Columbia.	Free Persons.	Slaves.	Fed'l Number.
Wiskonsin - -	30,934	11	30,941
Iowa - -	43,096	16	43,106
Florida - -	28,760	25,717	44,190
District of Columbia	39,018	4,694	41,834
Total of States and Territories - -	14,576,034	2,487,356	16,068,447

COMPTROLLER'S OFFICE, *November* 1, 1842.

J. W. McCULLOH, *Comptroller.*

TREASURY DEPARTMENT,

Register's Office, November 7, 1842.

I certify the above to be a true copy of the original filed on record in this office. T. L. SMITH, *Register.*

LETTERS

From Clerks of County Courts and Clerks of Commissioners, in relation to the Income and Ground Rent Tax Laws, &c.

ELKTON, *November* 2, 1842.

Dear sir,—Yours of the 1st inst. has been received, and in reply thereto have to say, that the Commissioners at a meeting held on the 26th day of April last, appointed assessors under the income tax law, one for each district in the county. And Mr. Ellis, who was then the clerk to the commissioners, transmitted to the Treasurer of the Western Shore, by the order of the Commissioners, a letter informing that officer of their appointment; and the instructions required by the law were duly received from Mr. Mackubin the Treasurer.

The assessors appointed for the 1st district, is the only one who has made any return and he only the names of three persons. The Commissioners, regarding this as a very partial return, and as none of the other assessors had made any return previous to the confirmation and close of assessment for the year 1842, on the 9th day of September last, the court declined to confirm the return of Mr. Pearce the assessor for the 1st district, and determined to let the subject lay over for further consideration. Since that time a new Board of Commissioners have been elected, who have had but one meeting, and that only for the purpose of organizing. Their next meeting will take place on the 13th day of December next; and as three of the members of the old Board have been re-elected, the subject will no doubt be again considered; and at that meeting I will lay your letter before them and communicate to you the result of their action thereon.

Very respectfully, your ob't. serv't.

G. H. JOYCE,

Clerk Commissioners Cecil County.

To Hon. J. C. LE GRAND.

DENTON, (*Caroline Co.*) *November* 7, 1842.

Dear sir,—As it would require some time to assemble the Levy Court, who reside in different parts of the county remote from each other, and being, as the clerk of that court, in possession of all the information required by your letter, and which the court if assembled could give, I take the liberty to reply to your letter.

Under the act of 1841, chapter 325, the Levy Court of this county, (on the 26th of April, 1842,) appointed an assessor for each election district of the county, all of whom refused to accept the appointment. The court then offered the assessment of the whole county to each of them, but neither of them would accept. The court then by public advertisement notified all persons willing to accept the office of assessor of the county, to file their respective applications, with the clerk of the said court: no applications were ever filed, nor any application made in person, and therefore the court suspended all further proceedings on that point, and consequently nothing further was done by the court under the act in question, except to tax watches and plate already assessed under the act of 1840, chapter 23.

Very respectfully yours,
JO. RICHARDSON.

FREDERICK, (*Frederick Co.*) *November* 21, 1842.

Dear sir,—Yours, addressed to the Commissioners of Frederick county, dated 1st inst. having relation to the act of December session 1841, chapter 325, is now before the Levy Court of this county to which the said court begs leave to reply, through me, as follows:

The Levy Court of Frederick county, in compliance with the provisions of said law, made the appointment of assessors, for the purposes therein expressed—and the said court subsequently learned, that the said assessors had entered upon the discharge of the duties assigned to them; but as *all* the said assessors did not make return to the said court, and as the return *made*, had relation to a part of the county only, and not to the whole of it, the Levy Court did not, (and deemed it inexpedient to) levy the tax thereunder—since when, no further action has been had in the matter, in this county. Very respectfully,

Your obedient servant, &c.
HENRY SCHLEY.

To J. C. LE GRAND, Esq.
Secretary of State, Annapolis.

CENTREVILLE, (*Q. A. Co.*) *November* 22, 1842.

Dear sir,—Your letter has been received by the Levy Court who direct me to say, in answer to the same, that there were no assessors appointed in this county under the act mentioned in your letter; but that the court performed the duties of assessors themselves, inasmuch as they did not conceive the amount which could be raised, would justify the expense of regular assessors. The reason that there has been no return to the Treasurer of the Western Shore of the same, is because they can get no collector of the direct tax to serve. The amount of tax on that assessment is about $272. Returns will be made to the Treasurer as soon as a collector can be had to serve.

Respectfully yours,

N. BAILEY,
Clerk to the Levy Court.

Hon. JNO. C. LE GRAND.

COMMISSIONERS' OFFICE,
Ellicott's Mills, (*H. D.*) *November* 9, 1842.

JOHN C. LE GRAND, Esq.

Dear sir,—In reply to your's of the 1st instant, I am authorised by the Board of Commissioners for our district to inform you, that they had complied with the requisition of the act of December session 1841, chapter 325, by appointing an assessor to carry out the intention of said act; but as the gentlemen whom they appointed refused to serve, and no applicants offering which they thought *competent* for the *task*, they were consequently compelled to let the matter rest, inasmuch as they had done all that was required of them by said act. They do not intend to take any further steps in the matter, but await the action of the next session of the Legislature on the subject. This is all the information I can give at this time. Yours respectfully,

DANIEL BUTLER,
Clerk to Com. Howard Dist. of A. A. Co.

COUNTY COMMISSIONER'S OFFICE,
Easton, (*Talbot Co.*) *November* 22, 1842.

Sir,—In reply to your inquiries, I am instructed by the Commissioners to state, that assessors were appointed under the act to which you refer, viz: of December session, 1841, chapter 325, and yesterday made their returns. The amount of assessment, for the entire county, under the aforementioned act, is $29,630. The Board will proceed to sit without delay, for the purpose of

hearing appeals, &c. and the abatements will diminish the amount as returned by assessors.

I will state, that the Board paid no attention to Treasurer Mackubin's instructions. Respectfully,

GEO. W. SHERWOOD,
Clerk Commissioners of Talbot County.

COMMISSIONERS' OFFICE,
St. Mary's County, Md. November 9, 1842.

Sir,—In reply to your's of the 1st, I have to say—that during the last year assessors, under the act of 1841, was appointed, and the property of the county assessed to $4,356,843. A collector was appointed to collect on that sum 20 cents in the $100 for State purposes; and has no doubt paid into the Treasury accordingly.

The amount of assessed property in the county this year is $4,325,540. The Commissioners will at their next meeting, appoint a collector of the State tax, and would have done ere this, but there was no applicants until now.

The income assessment amounts to $15,950—2½ per cent. will be levied on this amount, and will also be placed in the hands of a collector at an early period.

This I believe answers your letter. If any further information is wanting, it will be cheerfully given.

Respectfully, WM. FORD, *Clerk.*

SNOW HILL, (*Wor. Co.*) *November* 26, 1842.

Dear sir,—Your letter addressed to the Commissioners of Worcester county, was handed to me during the last week to answer, and our court, then being in session, I was unable to reply, from a press of business. I now hasten to reply.

An assessor was appointed by the Commissioners of Worcester county, under the income tax law of last session, who proceeded according to the instructions of the Treasurer of the Western Shore. He has completed the assessment, and made his return into this (Clerk's) office. The assessment amounts to eleven thousand, seven hundred and twenty-five dollars. According to his understanding of the Treasurer, he has assessed only officers and professional men with but two exceptions—an overseer of a furnace and a teacher in an academy. For the want of a collector, none of this tax, nor the direct tax under the act of 1840, has been collected. The Commissioners, as soon as the assessment under the latter named act was completed, appointed a collector who refused to serve. Repeated appointments since have been

followed with similar results, and unfortunately at this time there seems to be no probability under existing circumstances, of obtaining one. Very respectfully,

Your obedient servant,
GORDON M. HANDY,
Clerk Worcester County Court.

HAGERSTOWN, (*Wash. Co.*) *November* 29, 1842.

JOHN C. LE GRAND, Esq.

Sir,—In reply to yours of the 1st instant, the Commissioners have requested me to say, that assessors were appointed by the former Board, they refused to serve, and consequently nothing has been done in this county, in regard to the matter referred to in your communication. Respectfully yours,

O. L. MACGILL,
Clerk Commissioners Washington County.

COMMISSIONER'S OFFICE,
Rockville, (*Montgomery Co.*) *November* 12, 1842.

Dear sir,—The Commissioners have the pleasure to acknowledge the receipt of your communication of November 1st, 1842, directing the attention of the Commissioners to the act of December session 1841, chapter 325, and enquire what has been done under it. I am directed to state to you that an assessor was appointed in obedience to said act and return made by him in amount $9,575; after said return was corrected, a collector was appointed, but he having neglected to bond within the month of September, and finally declined to accept said appointment, precluding an opportunity to appoint another within said month, the Commissioners are not sure that they have authority by law to appoint another. Any information from you on this subject will be most thankfully received. Respectfully yours,

LEW. SHOTS, *Clerk.*

PRINCESS ANN, (*Somerset Co.*) *November* 19, 1842.

Sir,—Your letter of the 1st instant, to the Commissioners for Somerset county, arrived here during the recess of the board. As soon as they were apprized of it I was requested to reply to it.

Two different assessors have been appointed by this Board under the act of December session, 1841, chapter 325, each of whom resigned after a trial of a few days, stating that they were not able to accomplish their duties in consequence of the difficul-

ty of ascertaining the income of persons liable to assessment under that act. The law is obnoxious to many persons, who will not only not render the assessors facilities, but throw obstacles in the way of their proceeding in their duties. Finding the prospect so gloomy, the Commissioners have abandoned it.

I will take occasion to remark that nothing has been done towards collecting the direct tax in this county, either for the year 1841 or 1842, in consequence of not being able to procure a collector. We were tied down by the act of Assembly to six per cent. for the collection. An offer was made to collect a part of the tax for ten per cent. and another, for another portion, at twelve per cent. In one of the cases the bond offered was insufficient, and if it had been otherwise we were not at liberty to take up with the offer. In consequence of the direct tax being so intimately connected with the collection of the county charges, we have not been able to procure a collector for that purpose—our county finances are at a stand still, and even the poor are unprovided for. The reasons for this reluctance to enter into the collection of the direct tax are—Firstly, the summary process provided to coerce delinquent collectors—Secondly, the scarcity of money, and, Thirdly, the prejudice that some (I am happy to say this class is not numerous) entertain towards this law for raising revenue to pay the interest on the debts of the State.

You will pardon me for intruding into this letter a subject uncalled for by your queries. A wish to impart information which I thought might be desirable, is my apology.

I am, sir, your humble servant,

WM. T. G. POLK,

one of the Commissioners for Somerset Co.

Hon. JOHN C. LE GRAND,

Secretary of State, Annapolis, Md.

BALTIMORE, *December* 10, 1842.

My dear sir,—The assessors undertook to perform their duties in relation to the new assessment, and made a return, which resulted in an entire failure. The Appeal Tax Court sat for six days, and were unable to hear the numerous appeals from our citizens; and have determined that the assessment being so very incorrect, it would be doing injustice to our citizens to make a return of it. I believe in the assessment of ground rents, that none of the assessors returned any, except Mr. Jacob White of the 3rd District. You of course will see that it would be improper to certify to their return.

The law has not therefore been executed so as to produce either a correct assessment or a collection of money under its provisions.

Very respectfully your friend,

JNO. B. SEIDENSTRICKER,

JNO. C. LE GRAND, Esq. *Collector.*

BALTIMORE, *November* 9, 1842.

Dear sir,—In reply to your letter of the 1st instant, I have to say, that the assessors directed by the act of 1841, were duly appointed, and have completed the assessment. The amount I am unable to furnish you, for reasons which you will learn from the enclosed communication.

You will perceive by the letter from the "Appeal Tax Court," that sufficient time was not allowed them to make the necessary corrections. Very respectfully,

SOL. HILLEN, JR.

Hon. J. C. LE GRAND,
Secretary of State.

OFFICE OF THE APPEAL TAX COURT,
Baltimore, November 4, 1842.

To Hon. SOLOMON HILLEN, JR. *Mayor.*

The Appeal Tax Court having received the certified returns of the assessors of tax, on salaries, incomes, emoluments of profits, appointed under the provisions of an act, passed March 10th, 1842, chapter 325, the said court as directed in the 8th section of said act, commenced a session on the second Monday in September last, and continued the session for six days, having first given notice by public advertisement in the several newspapers of the city. The short time allowed to hear and determine the numerous cases in which persons consider themselves aggrieved by said assessment, has left a very large number of persons, who stand assessed, without the opportunity of giving evidence "that the only income or profit which they receive is derivable from property already assessed," the court is forced to the conclusion, from the representations of a large number of persons, who were deprived of an opportunity to give evidence, that a statement made from the returns as now corrected, would embrace many persons who are not liable under the law, and would be very imperfect.

Respectfully submitted,
GEO. MYERS,
JOSEPH BROWN,
JNO. B. SEIDENSTRICKER,
Appeal Tax Court.

OFFICE OF COMMISSIONERS,
Baltimore County, November 11, 1842.

Hon. J. C. LE GRAND,

Dear sir,—The Commissioners of Baltimore county request me to say in answer to yours of the first instant, that they have complied with the requirements of the act of 1841, chapter 325, by

the appointment of assessors who have proceeded to make the assessment accordingly, and have made their returns to the Board on the 13th September last, and the amount as appears by the return, after the corrections, is for the first district $18,500, and for the second district $12,200—making for the county $30,700, the aggregates on which the Commissioners have not made any special levy for the present year.

Respectfully, your obedient servant,
SAM. WORTHINGTON, *Clerk.*

COMMISSIONERS OFFICE,
Carroll County, Md. November 9, 1842.

JOHN C. LE GRAND, Esq.

Sir,—In reply to your note of the first instant, I inform you that the assessors appointed under the act of Assembly passed December session, 1841, chapter 325, refussed to serve, consequently no assessment has been made in this county under the aforesaid act. Respectfully yours,

BASIL ROOT,
Clerk to Commsssioners.

UPPER MARLBRO', (*P. G. Co.*) *November* 18, 1842.

J. C. LE GRAND, Esq.
Secretary of State of Md.

Sir,—I am directed by the Justices of the Levy Court of Prince Georges County, to reply to your queries in regard to the income tax law. The court did appoint assessors under the said law, but those appointed refused to serve, and the court again appointed others, who refused to act. Being unable to get suitable persons to act as such the law has not been carried out, but has become a dead letter.

All of which is most respectfully submitted,
JAMES B. BELT,
Clerk Levy Court of P. G. Co.

[Document Z.]

BY THE HOUSE OF DELEGATES,
March 1, 1843.

Read and ordered to be printed.

REPORT

OF THE

SELECT COMMITTEE,

IN REGARD TO THE

Tobacco Damaged at Warehouses Nos. 2 & 3,

IN THE CITY OF BALTIMORE.

REPORT.

The select committee to which was referred an order of this House, directing an enquiry into the extent of damage sustained in Tobacco Warehouses Nos. 3 & 2, have had the same under consideration, and beg leave to report:

That Mr. Nicholas Dorsey, Inspector at No. 3, informed them that no injury had been sustained in that house.

In No. 2 Warehouse, the Inspector, Joseph S. Wilson, has exhibited the damage incurred, which shows of uninspected tobacco, eighty-two hogsheads to have been injured, and the absolute loss of pounds to have been twelve thousand, eight hundred and ninety-two; and of inspected tobacco, two hundred and fifty-eight hogsheads to have been injured, and the absolute loss of pounds thirty-nine thousand, two hundred and twenty-two—in all, three hundred and forty hogsheads damaged, and fifty-two thousand, one hundred and fourteen pounds of tobacco rendered worthless.

Your committee being fully persuaded that the sufferers as above should be indemnified for the loss and injury which they have sustained, have taken great pains to enable them to arrive at the damage incurred, in dollars and cents, and find it to be four thousand, one hundred and thirty-nine dollars. In nearly every instance the exhibits have been accompanied with the certificate of the Inspector, and an affidavit of the consignee as to the truth of the statement, and in all cases the certificates of the Inspector and the affidavits of the claimants have accompanied the statements. As the consignee is the very best judge of the value of the tobacco, and in no way interested, the committee have thought his evidence conclusive; and the high standing of the residue of claimants preclude a possibility of doubt.

From the very nature of the policy of the State, the planter is compelled to send his tobacco to the city of Baltimore for inspection and safe keeping, for which one dollar and twenty-five cents per hogshead must be paid before the tobacco is suffered to be taken from the inspection houses, by which means the fund (commonly called the Tobacco Fund) is formed. The sufferers ask nothing from the State Treasury. They only ask to be reimbursed out of the fund they have contributed to create. The above tax having been required of them upon their tobacco, as though it had been kept in perfect safety, without further reasoning, your committee conclude this report by saying, that they believe it just, proper and lawful that the said sufferers should be indemnified, and therefore recommend the following resolutions:

Resolved by the General Assembly of Maryland, That the Treasurer be, and he is hereby directed to pay out of any unappropriated money in the Treasury belonging to the tobacco fund, the sum of four thousand, one hundred and thirty-nine dollars, for the use and benefit of those who had tobacco damaged by the flood at No. 2 Warehouse in the city of Baltimore on the 24th of August last, as follows—to the order of

No. 1,	Thomas Macilroy,	$11 39
" 2,	James Briscoe, agent,	27 21
" 3,	Brothers Boninger,	84 45
" 4,	L. A. Jenkins, agent,	27 41
" 5,	Wesley Starr, agent,	595 25
" 6,	Isaac Owens, of Jas. agent,	67 59
" 7,	Samuel H. Whittington, agent,	128 50
" 8,	Wm. Cooke & Sons, agents,	84 01
" 9,	Thomas M. Locke, agent,	272 51
" 10,	Jos. W. & Ed. Reynolds, agents,	108 54
" 11,	John Sullivan & Sons, agents,	223 62
" 12,	James Ferguson, agent,	48 64
" 13,	Richard H. Hall, agent,	486 75
" 14,	Schear & Kuster,	93 64
" 15,	Neale & Luckett, agents,	205 41
" 16,	Chas. R. Hardesty, agent,	104 70
" 17,	Thos. I Hall, agent,	75 14
" 18,	Battee & Lowe, agent,	445 24
" 19,	Walter Mushett,	8 74
" 20,	James Cheston & Son,	51 87
" 21,	Thompson & Spalding, agents,	35 78
" 22,	Ignatius Pike, agent,	288 41
" 23,	Jacob Heald & Co. agents,	307 00
" 24,	Deeke & Gerdes,	85 39
" 25,	Albers & Co.	21 51
" 26,	Asa Needham, agent,	4 41
" 27,	Oelrichs & Lurman,	41 58
" 28,	A. Schumacher & Co.	204 31

The said parties being all residents of the city of Baltimore.

Resolved, That before the Treasurer shall proceed to pay over to the aforesaid agents or consignees, the amount claimed by them on account of the planters or owners of the aforesaid tobacco, he shall require a bond with good and sufficient security for double the amount so claimed, that they, the said agents or consignees, will pay over to each individual entitled on account of the damage aforesaid, the full and just amount to which he, she or they may be entitled without any deduction or commission as by reference to the vouchers herewith returned from Nos. 1 to 28, inclusive, will fully show, and which vouchers are hereby directed to be deposited with the Treasurer.

All of which is respectfully submitted,

JAMES S. MORSELL, *Chairman*.

[Document A A.]

BY THE HOUSE OF DELEGATES,
March 10th, 1843.

Read and ordered to be printed.

REPORT

OF THE

COMMITTEE ON MILITIA,

COVERING

STATEMENTS FROM THE SEVERAL

ARMORERS.

REPORT.

STATE DEPARTMENT,
Annapolis, January 18th, 1843.

To the honorable the General Assembly:

I have the honor herewith to submit a report of the Adjutant General of the State covering those of the several Armourers.

FRANCIS THOMAS.

ADJUTANT GENERAL'S OFFICE,
Annapolis, November 22nd, 1842.

To his Excellency,
FRANCIS THOMAS,
Governor of the State of Maryland:

Sir,—I have the honor to enclose you copies of the reports of the respective Armourers of Annapolis, Frederick and Easton, made in compliance with the 3rd section of the act of 1830, chapter 113.

I avail myself of this occasion to call your Excellency's attention to the condition of the exterior wall of the Magazine located near the Government House, that the necessary steps may be taken for its repair.

With high respect,
I remain your obedient servant,
JNO. N. WATKINS,
Adjutant General, Md.

Report of the Armourer at Annapolis, as required by the 3rd section of the act of 1830, *chapter* 113, *to the Adjutant General.*

60 new Muskets, bronzed.
100 new Rifles, do
2 do do barrels and bright bands.
29 Hall's Patent Rifles.
11 Hall's Carbines.
17 new Muskets, bright barrels.
212 old do cleaned and inspected fit for service.
684 do do without bayonets.
1 new Musket, bronzed, with spring broke.
1 pair of Bullet Moulds.
1 Powder Proof, imperfect.
1 lot of Pistol Flints, between 4 and 5000.
23 Rifle Bayonets.
11 Gun Slings.
2 Spontoons.
54 bronzed Muskets fit for service.
124 Sabres, bright handles, black scabbards.
13 Sabres, bright scabbards.
14 Sabres, bronzed scabbards.
28 Artillery Swords, black leather scabbards.
24 Artillery Swords without scabbards.
66 pairs of new Holsters.
13 pairs of Pistols.
650 Bayonet Scabbard Belts, white.
75 narrow Bayonet Scabbard Belts, white.
465 Waist Belts, white.
447 Cartridge Box Belts, white.
184 Pouch and Flask Straps, white.
50 copper Flasks.
82 leather Pouches, brass rings.
751 Bayonet Scabbards, brass mounted.
65 Cartridge Boxes, such as worn in front.
264 do do stamped with an eagle.
323 do do plain.
466 Brass Plates, for bayonet scabbard, marked with an eagle.
562 do do for waist belts, with U. S. on them.
65 do do for swords, plain.
376 Musket Flint Caps, lead.
61 pairs of Rifle Moulds.
7 do do Hall's.
29 Screw Drivers for Hall's patent rifle.
511 do do for Muskets.
127 Rifle Washers.
54 Spring Vices.

73 Musket Ball Screws.
235 Rifle Flint Caps, lead.
264 Bayonets.
½ keg Port Fire.
A parcel of Musket and Rifle Barrels.
84 Muskets wanting bayonets and ram rods.
116 Rifles wanting cleaning.
38 do wanting locks.
15 Tents.
8 Camp Kettles not fit for use.
A quantity of Cartridge Boxes requiring oiling.
A quantity of old Knapsacks.
30 Powder Horns unfit for service.
3 brass Cannon with fixtures.
Several boxes of Ball and Grape Shot in the magazine.
39276 Ball Cartridges.
6 kegs do damaged.
1 State Flag much worn.

AARON DUVALL, *Armourer.*

ANNAPOLIS, *November* 7, 1842.

An Inventory of all the Arms and other public property belonging to the State of Maryland, at the Armory at Frederick Town.

4 Cannon, good with the exception of axle-tree and some repairs.
32 boxes Muskets, 20 in each box, in good order.
533 Muskets, indifferently good, wanting repairs.
145 do without bayonets.
435 do not worth repairing.
1 box Pistols.
1 do Powder Flasks, containing 28.
997 lbs. Bar Lead.
1830 Wipers, good.
2 kegs of Flints, good.
210 wood Canteens.
5 Tents, not good.
300 Cartridge Boxes.
75 do do wanting straps.
208 do do of no use.
148 old Bayonets, not good.
64 Knapsacks, good.
14 Chargers, good.
12 Wipers.
4 boxes of Rifles, containing 70.
28 Bullet Moulds.
30 Swords, indifferently good, wanting new scabbards.
32 new Muskets.
3 Spring Setts.
5 Bullet Screws.
25 new Tents, and 69 Poles.
425 Pins.
1 Iron.
1 Field Piece, 18 pounder.

EZRA HOFFMAN, *Armourer.*

To JNO. N. WATKINS,
Adjutant Genaral M. M. Annapolis, Md.

Report of the Armourer at Easton, made and returned according to the act of 1830, *chapter* 113, *of all the Arms and Accoutrements then in, this 24th day of September*, 1842.

1136 Muskets and Bayonets fit for use.
100 good Rifles fit for service.
193 Bayonets, extra.
942 Cartridge Boxes, complete.
50 Bayonets with scabbards.
113 Horsemen's Swords.
25 Artillery Swords.
15000 new Ball Cartridges.
500 lbs. Musket Balls, new.
198 Canteens.
10000 Ball Cartridges, old and damaged.
1 keg Blank Cartridges.
20 lbs. good Powder.
396 Pistol Holsters without housing.
217 Bayonet Straps and Scabbards.
2 Ordnance, 6 pounders.
3 do 4 do
2 Gun Carriages for the field, condemned.
815 Round Shot, 6 pounders.
455 do do 4 do
29 Camp Kettles.
9 Dutch Ovens.
5 iron Pots.
1 Tea Kettle.
15 Espontoons.
4 Flag Staffs.
4 Handsaws, Hatchet, Hair Broom, Hand Brush.
169 Muskets and Rifles unfit for service.
400 lbs. Grape and Cannister Shot, loose.

The Gun Carriages and Limbers are all dry, rotten and condemned. There are 20 panes of window glass by the jar at thunder storms. The Armory House wants repairing.

I remain your obedient servant,

HENRY THOMAS, *Armourer*,
Easton, Md.

To Jno. N. Watkins,
Adjutant General, Annapolis, Md.

A LIST OF THE TITLES

OF THE

LAWS AND RESOLUTIONS

MADE AND PASSED

AT DECEMBER SESSION, 1842.

TITLES OF THE LAWS.

No. 1. An act for the relief of Benjamin S. Ireland, administrator of Richard E. Ireland, late sheriff of Calvert county.

2. An act to incorporate the Baltimore Murray Institute.

3. An act to make valid the official bond of James Polk, register of wills of Somerset county, and for other purposes.

4. An act to authorize the citizens of Worcester county, to plant oysters, and for the protection of the same.

4. An act supplementary to the act entitled an act to authorize the drawing of a lottery for the benefit of female education.

6. An act to change the name of George Augustus Clark, of Allegany county, to George Augustus Duncan Clark.

7. An act to make valid a deed therein mentioned.

8. An act to allow further time to Benjamin T. Pindle, sheriff of Anne Arundel county, to execute his bond for the year 1843.

9. An act to incorporate the Channing Literary Institute of Baltimore.

10. An act to make valid a deed in Worcester county.

11. An act to incorporate the Sharpsburg Union, martial musical band.

12. An act for the incorporation of Lagrange Lodge number 36, of the independent order of odd fellows.

13. An act in relation to the payment of State witnesses, in Frederick county court.

14. An act to authorize and empower George Davis, executor of George Biddle, late of Cecil county, deceased, to execute a certain conveyance therein mentioned.

15. An act for the relief of John B. Brooke, clerk of Prince George's county court.

16. An act authorizing commissioners to establish a public road in Prince George's county.

17. A supplement to an act to incorporate the Western Bank of Baltimore.

18. An act to allow Jacob Clammer, late collector of Allegany county, further time to complete his collections.

19. An act to disconnect the office of sheriff and county collector, of Calvert county.

20. An act to repeal a supplement to an act to authorize the appointment of justices of the peace, in the city of Baltimore,

with limited jurisdiction passed at December session 1825, chapter 189.

21. An act for the relief of Thomas Bartholow and others.

22. An act relating to fines, penalties and forfeitures, and to informers.

23. An act relalive to supervisors of roads in Frederick county.

24. An act for the relief of Richard Schrive, of Calvert county.

25. A further supplement to the act, entitled an act for the better regulation of apprentices.

26. An act to incorporate the Burketsville union band of Frederick county.

27. A supplement to an act entitled an act, regulating writs of error and granting appeals to the court of appeals.

28. An act to incorporate the German Washington Beneficial Society of Fell's Point and State of Maryland.

29. An act authorizing gates to be kept on the public roads in Talbot county, except those roads that the United States mail passes over.

30. An act to regulate the meetings of the Orphan's court of Montgomery county.

31. An act for the relief of William W. Handy, of Somerset county.

32. An act to allow John M. Carlton, late sheriff and collector of fees of Allegany county, further time to complete his collections.

33. An act to authorize the mayor and councilmen of the town of Cumberland, to sell and convey lot number 280, in Beall's addition to the town of Cumberland.

34. An act for the further relief of Isaac C. Anderson, sheriff and collector of Howard District of Anne Arundel county.

35. An act to incorporate the German Beneficial Society of the Trinity Church of the city of Baltimore.

36. An act to repeal the third section of the act entitled an act to make public a road in Prince George's county.

37. An act to incorporate the Lafayette Hose company of the city of Baltimore.

38. An act to incorporate the Deptford Fire company of the city of Baltimore.

39. An act for the relief of John N. Bowland, former sheriff and collector of Somerset county.

40. An act for the benefit of Robert A. Taylor, of the city of Baltimore.

41. An act to allow J. R. K. Horney, late collector of Caroline county, further time to complete his collections.

42. An act authorizing the levy court of Frederick county, in their discretion, to levy a sum of money to indemnify a certain Michael Snell against loss, for building a bridge over the river Monocacy, at a fording place called Devilbiss' Ford.

43. An act to incorporate the German Tailor's beneficial society of the city of Baltimore.

44. An act to provide for the extension of the charter of the Fredericktown Savings Institution.

45. An act to repeal an act to preserve the breed of fish in the waters of the Chesapeake bay, and for other purposes.

46. An act for the appointment of commissioners to designate a place of election, in the fourth election district, in Carroll county.

47. An act supplementary to an act vesting certain powers in Baltimore county court, passed at December session 1833.

48. An act granting further time to Benjamin T. Pindle, collector of the county charges for the first collection district of Anne Arundel county, to complete his collections.

49. A supplement to an act entitled, an act to establish Magistrate's courts in the several counties of this State, and to prescribe their jurisdiction, passed March eighteen hundred and thirty-six, chapter two hundred and one.

50. An act for the more speedy completion of the consolidated lotteries, and the augmentation of the State revenue from this source.

51. An act to incorporate the Equitable Life Insurance society of Baltimore.

52. An act to incorporate the Union Hall company of Fell's Point.

53. An act supplementary to an act, passed December session, eighteen hundred and forty-one, chapter 284.

54. An act supplemental to an act passed December session, eighteen hundred and thirty-nine, chapter 260, granting further time to Richard C. Hardesty, late collector of the first collection district of Anne Arundel county, to complete his collections of county taxes in said district.

55. An act for the benefit of the Independent Hose and Junior fire companies of Frederick.

56. An act for the incorporation of Neilson Lodge No. 39, of the independent order of odd fellows, in Hillsborough, Caroline county.

57. An act for the relief of Richard Brooke, of Montgomery county.

58. An act for the furtherance of justice in Somerset county.

59. An act to amend an act, entitled an act for the relief of John B. Brooke, clerk of Prince George's county court.

60. An act to incorporate the Independent Junior fire company of Hagerstown.

61. An act for the protection of water fowl on the Potomac river.

62. An act for the relief of William Hance, clerk of Calvert county court.

63. An act to make public a road therein mentioned.

64. An act requiring the commissioners of primary schools of

Worcester county, to divide the funds for school district No. 27.

65. An act to authorize the measuring of cord wood in the village of North East, and on the shores of North East river, in Cecil county.

66. An act to make valid a deed therein mentioned, between the parties thereto.

67. An act to protect the herring and shad fisheries in the Potomac river and Chesapeake bay.

68. An act for the benefit of George W. Morgan, late sheriff of Saint Mary's county.

69. A supplement to an act entitled, an act to authorize the appointment of justices of the peace in the city of Baltimore with limited jurisdiction, passed at December session, eighteen hundred and twenty-five, chapter one hundred and eighty-nine.

70. An act relating to the approval of trustees bonds and injunction bonds.

71. An act to change the name of Juliana Wootters, to that of Juliana Chambers.

72. An act relating to Anne Arundel county.

73. An act to repeal the first and second sections of an act passed December session, eighteen hundred and forty-one, chapter one hundred and eighty-six, entitled, an additional supplement to an act to regulate sales by public auction, passed at December session, eighteen hundred and twenty-seven, chapter one hundred and eleven.

74. A supplement to an act entitled, an act in aid of the construction of an outlet lock of the tide water canal at Bell's ferry, in Harford county, immediately opposite Port Deposite, in Cecil county.

75. A further supplement to the act to incorporate the Maryland insurance company.

76. An act supplementary to the acts passed at December session, eighteen hundred and thirty-five, chapters three hundred and thirteen, three hundred and fourteen, three hundred and fifteen, and the supplements thereto.

77. An act to incorporate the Mountaineer Hose company of the town of Cumberland, in Allegany county.

78. An act to repair or rebuild a bridge over the North West fork of the Nanticoke river, at Federalsburg, between Dorchester and Caroline counties.

79. An act to incorporate the Freedom Academy of Carroll county.

80. An act to incorporate the Presbyterian church at Rehoboth, Somerset county.

81. An act supplementary to an act for the preservation and repair of that part of the United States' road within the limits of the State of Maryland.

82. An act granting further time to William Sewell, collector of the county charges for the third collection district of Anne Arundel county, to complete his collections.

83. An act for the benefit of Philip Clayton, collector of taxes for the city of Annapolis.

84. An act to quiet the possession of real estate.

85. An act for the incorporation of Jefferson Lodge No. 9, of the order of independent odd fellows.

86. An act to confer additional powers upon the mayor and city council of Baltimore.

87. An act to authorize the commissioners of Cecil county, to issue sommonses or citations in certain cases.

88. A further supplement to an act passed at December session, eighteen hundred and thirty-five, chapter two hundred and one, so far as the same relates to Harford county.

89. An act to make valid a deed of conveyance from John Walton and wife, of St. Mary's county, to Robert Crane, of the same county.

90. An act to allow John Newcomer, late sheriff and collector of Washington county, further time to complete his collections.

91. An act for the relief of Ann Campbell of Cecil county.

92. An act to facilitate the settlement of the estate of Andrew Bruce, late of Allegany county.

93. An act to allow Samuel Miller, late collector of Cecil county, further time to complete his collections.

94. An act for the benefit of the heirs of Robert McCleary, deceased.

95. An act to authorize Philip Pettibone, collector of the second collection district of Anne Arundel county, to complete his collections.

96. A supplement to the act, entitled an act to make a turnpike road from Cumberland to the Pennsylvania line.

97. An act to make valid a certain deed therein mentioned.

98. A further supplement to the act entitled, an act to abolish magistrate's courts in Allegany county, and to extend the jurisdiction of single justices of the peace in said county, passed at December session, eighteen hundred and thirty-nine, chapter seventy-seven.

99. An act to make valid a certain deed of mortgage therein mentioned.

100. An act for the benefit of George Humberston, of Allegany county.

101. An act to confirm and make valid the proceedings of the Orphan's court of Prince George's county, touching the sale of certain property, therein mentioned.

102. An act to authorize the commissioners of Cecil county to levy a sum of money, for purposes therein mentioned.

103. A supplement to the act passed at December session, eighteen hundred and forty, chapter one hundred and twenty-six.

104. An act to provide for the appointment of a flour inspector, and a wood corder, in the town of Westminster, in Carroll county.

105. An act for the benefit of Jacob Grove, late sheriff of Carroll county.

106. An act supplementary to an act, entitled, an act to provide for the repairing or rebuilding a certain bridge therein mentioned, passed at December session, eighteen hundred and forty, chapter one hundred and twenty-one.

107. An act to repeal the third section of an act, entitled, a further supplement to the act entitled, an act directing the manner of suing out attachments in this province, and limiting the extent of them.

108. An act to incorporate the trustees of the Rock Hall chapel, in Kent county.

109. An act to authorize Jonathan Barkdoll, to close up part of an old road, in Allegany county.

110. An act relating to the clerk of Harford county court.

111. A supplement to the act entitled, an act passed at December session, eighteen hundred and thirty-eight, chapter two hundred and five, relating to the lien of mechanics and others, upon buildings.

112. An act for the benefit of David R. Miller, of Washington county.

113. An act to make valid and confirm the official acts of Charles Wesley Weaver, a justice of the peace in and for Queen Anne's county, and State of Maryland.

114. An act to authorize Thomas L. W. Vinson, late sheriff and collector of Montgomery county, to complete his collections.

115. An act to change the time of electing trustees and clerks of primary schools, in Talbot county.

116. An act for the relief of John Sifford, of Frederick county.

117. An act for the relief of Wesley Blake, of Cecil county.

118. An act to authorize William Poe, of Baltimore, to hold and retain in this State, negro girl Juliet.

119. An act requiring the register of the land office for the Western Shore, to correct an error in a certain patent therein mentioned.

120. An act for the relief of Mary Ayres, of Howard District of Anne Arundel county.

121. An act to erect a bridge or causeway over Knapp's narrows, at Tilghman's Island, in Talbot county.

122. A supplement to an act to incorporate the Frederick Town savings institution.

123. An act to regulate the manner of public advertisements in Somerset and Charles counties.

124. An act to repeal an act entitled, an act supplementary to an act passed at December session, eighteen hundred and thirty-eight, chapter three hundred and sixty-two, entitled, an act appointing and regulating primary schools, in St. Mary's county.

125. An act for the relief of John S. Crockett, late sheriff and collector of Somerset county.

126. A supplement to an act entitled, an act to regulate the inspection of red oak staves and headings in this State.

127. A supplement to an act entitled, an act to provide for the poor of Dorchester county, passed December session, eighteen hundred and thirty-one, chapter two hundred and fifty-six.

128. An act to repeal an act entitled, an act to encourage the destruction of crows in Charles and Prince George's counties.

129. An act for the benefit of Elizabeth McElhenny, of Anne Arundel county.

130. An act to allow William H. Fitzhugh, former sheriff and collector of Washington county, further time to complete his collections.

131. An act to authorize William N. Austin, trustee of William O'Neal, junior, late sheriff and collector of Montgomery county, to complete his collections.

132. An act to extend the time of Joseph Weast, collector of county taxes for Washington county.

133. An act for the better collection of State and county taxes in this State.

134. An act supplementary to an act entitled, an act for the protection of mechanics and others, in Allegany county, passed at December session, eighteen hundred and forty-one, chapter seventy six.

135. An act entitled an act to regulate the height of fences in the Frostburg election district, of Allegany county, and for other purposes.

136. An act to lay out a school district in St. Mary's county.

137. An act to incorporate the Canada fire company of the town of Cumberland, in Allegany county.

138. An additional supplement to an act, to provide for the appointment of commissioners for the regulation and improvement of Easton, in Talbot county, and to establish and regulate a market at the said town, passed at December session, seventeen hundred and ninety, chapter fourteen.

139. An act providing for an additional poll in the second election district of Harford county, to be held in the town of Havre-de-Grace.

140. An act supplementary to an act entitled, an act to revive the twelfth, thirteenth, fourteenth and fifteenth sections of an act passed at December session, eighteen hundred and fifteen, chapter one hundred and sixty-six, entitled, an act to incorporate a company to make a turnpike road, from the Frederick and Baltimore turnpike road, commencing at the west end of Frederick town to Harper's ferry, on the Potomac river, passed at December session, eighteen hundred and thirty-eight, chapter two hundred and sixty-eight.

141. A further additional supplement to the act entitled, an act relating to the public roads in the several counties therein mentioned.

142. An act authorizing the commissioners of Howard District of Anne Arundel county, to levy a sum of money for the purposes therein mentioned.

143. An act for the benefit of the heirs of James Healy, of Harford county.

144. An act for the benefit of Abraham Wilhelm and others.

145. A supplement to an act entitled, an act to authorize the building of a bridge over Choptank river, in Caroline county, passed at December session, eighteen hundred and thirty-four, chapter one hundred and fifty-three.

146. An act to prevent swine and geese from going at large in the village of Cecilton and its vicinity, in Cecil county.

147. A supplement to the act entitled, an act passed at December session, eighteen hundred and thirty-eight, chapter two hundred and five, relating to the lien of mechanics and others, upon buildings.

148. A supplement to the act passed at December session, eighteen hundred and forty, chapter fifty-two, entitled an act to define the time within which the official bonds of clerks and registers shall be renewed.

149. An act for the benefit of Reuben Summers, receiver of Richard R. Waters, late sheriff and collector of Montgomery county.

150. A supplement to an act entitled an act for rebuilding Snell's bridge, over the Patuxent river.

151. An act entitled a supplement to the act, passed at December session, eighteen hundred and forty-one, chapter eighty.

152. An act to incorporate the trustees of the Baptist meeting house, known by the name of Sater's meeting house, in Baltimore county.

153. An act to authorize the commissioners of Baltimore county, to place the commissioners of the supervisors of all public roads into the hands of the collectors, instead of the sheriff.

154. An act for the benefit of Jacob H. Grove, of Washington county.

155. An act for the benefit of St. James Parish, Baltimore county.

156. An act to grant William Rose, late collector of Talbot county, further time to complete his collections.

157. An act to change the name of Marcellus Williams, of Prince George's county, to Henderson Williams Magruder.

158. An act to change the place of holding the election in the fifth election district, of Baltimore county.

159. An act for the relief of Henrietta Maria Goldsborough, of Howard District, of Anne Arundel county.

160. An act to prevent swine running at large in the village of Chesterville, in Kent county.

161. A supplement to the act entitled, an act to alter and amend the charter of the city of Annapolis.

162. A supplement to an act for draining a prong of the Andover branch, commonly called Deford's branch, passed at December session, eighteen hundred and thirty-eight, chapter one hundred and ninety-seven.

163. An act entitled, an act to modify the third section of an act entitled, a further supplement to an act passed at December session, eighteen hundred and forty-one, chapter three hundred and twenty-three.

164. An act for the benefit of the heirs of Benjamin Wilter, late of Washington county.

165. An act to prevent the going at large of swine in Leonard town, in St. Mary's county.

166. An act to revive an act passed at December session, eighteen hundred and twenty, chapter seventy-one, for draining a branch on Chester river, called and known by the name of the Unicorn branch.

167. An act in relation to the estate of John T. Deford, late of Queen Ann's county, deceased.

168. An act to provide for the hearing by the court of appeals of the case therein mentioned.

169. An act to incorporate the trustees of the Methodist Episcopal chapel, in the village of Hillsborough, Caroline county.

170. An act to incorporate the trustees of Island Creek Academy, in Calvert county.

171. An act for the incorporation of the Washington Lodge, number one, of the order of independent odd fellows, of the State of Maryland.

172. An act to incorporate Logan Tribe, number one, of the improved order of Red Men.

173. An act to incorporate the second German beneficial association of Maryland.

174. An act to prevent injuries to the tide water canal, and to protect the property of neighboring land holders.

175. An act to lay out, open and make public a road in Worcester county.

176. An act to incorporate the trustees of the Prospect School in Harford county.

177. An act authorizing the levy court of Frederick county, in their discretion to levy a sum of money therein mentioned.

178. An act for the relief of the heirs of J. A. D. Dalrymple and others.

179. An act to elect the commissioners of tax of Carroll county, by the people.

180. An act to incorporate a company to make a turnpike road from some point on the National road, at or west of the town of Cumberland, thence by the nearest and most practicable route through any part of Allegany county, so as to intersect the northwestern turnpike road of Virginia.

181. An additional supplement to the act, entitled, an act

to incorporate the Maryland and New York iron and coal company.

182. An act to incorporate the society for the relief of the indigent sick of the city of Baltimore.

183. An act for the protection of mechanics and others, in Washington county.

184. An act to transfer the donation allowed to the Oakland Academy, in Carroll county, to the Freedom Academy in said county.

185. A supplement to an act entitled, an act to abolish magistrate's courts in Dorchester county, and to extend the jurisdiction of a single justice of the peace in said county, passed December session, eighteen hundred and forty-one, chapter one hundred and twenty-seven.

186. An act to continue in force such acts of Assembly as would expire during the present session.

187. An act entitled, an act relating to primary schools of Prince George's county.

188. An act to regulate the expenses of Prince George's county.

189. An act further supplementary to an act entitled, an act for the general valuation and assessment of property in this State, and to provide a tax to pay the debts of the State, passed March session, eighteen hundred and forty-one, chapter twenty-three.

190. A supplement to the act entitled, an act to prevent gaming, passed at December session, one thousand eight hundred and twenty-six, chapter eighty-eight.

191. A further supplement to an act passed at December session, eighteen hundred and thirty-nine, chapter two hundred and sixty-seven, relative to Havre-de-Grace, Maryland.

192. A supplement to an act entitled, an act to consolidate the free school fund, the State's donation, and the surplus revenue fund, so far as relates to district school, number three, in the upper district of Caroline county, and for other purposes.

193. An act entitled, a further additional supplement to an act entitled, an act to regulate the inspection of salted fish, passed at December session, eighteen hundred and seventeen, chapter one hundred and fourteen.

194. An act for the relief of William W. Handy, of Somerset county.

195. An act for the relief of Samuel Dickinson, of Worcester county.

196. An act to allow John Ward, late collector of taxes in the fifth election district of Harford county, further time to complete his collections.

197. An act to authorize Judah Crockett, of Somerset county, to make a sale and conveyance of a small tract of land called "Old Fields."

198. A supplement to an act entitled, an act to give to the chancellor and the county courts, as courts of equity, jurisdiction in cases of divorce.

199. An act for the promotion of education, in Somerset county.

200. An act for the benefit of Frances Richardson, of Talbot county.

201. An act to close a road therein mentioned.

202. An act to authorize the commissioners of Cecil county, to levy a sum of money for paying a balance due William B. Biles and William Mackey.

203. A further supplement to an act entitled, an act to establish a bank and incorporate a company under the title of the Planter's Bank, of Prince George's county.

204. An act to incorporate a company to construct a turnpike road from Frostburg, Allegany county, down the valley of Jenning's run, to intersect the turnpike recently constructed by the Maryland and New York iron and coal company, at or near the Mount Savage iron works.

205. An act for the benefit of Thomas Keller, late sheriff of Washington county.

206. An act relating to non-resident defendants in Chancery.

207. A supplement to an act entitled, an act, to amend and reduce into one, the acts to incorporate the American Life Insurance and Trust Company, and the several supplements thereto.

208. A supplement to the act entitled, an act to amend the law relative to distress for rent.

209. An act to authorize Patrick Hammill, collector of county taxes in and for Allegany county, to complete his collections of said taxes.

210. An act for the completion of the new court house, in Allegany county, and for other purposes.

211. An act to provide for rebuilding the Governor's bridge over the Patuxent river.

212. An act to authorize Ellen Magruder, of Prince George's county, to hold and retain in this State certain negroes.

213. An act relating to slaves.

214. An act to incorporate the Mutual Fire Insurance Company, of Harford county.

215. An act to regulate the itinerant charges of jurors and commissioners of Washington county.

216. An act to extend the time of Thomas H. Ford, former sheriff of Queen Anne's county, to complete his collections.

217. An act for the benefit of William R. Hayward, of Dorchester county.

218. An act to authorize the extension of the limits of direct taxation within the city of Baltimore.

219. An act directing the commissioners of the tax for Talbot county, to publish annually, a summary statement of their receipts and disbursements.

220. An act to extend the time of Thomas W. DeCoursey, former collector of Queen Anne's county, to complete his collections.

221. An additional act relating to the levy court of Queen Anne's county.

222. An act for the benefit of the children of John Cronmiller.

223. An act to authorize the hearing in the court of appeals in a case wherein John Kelly and others are appellants, and Solomon Betts appellee.

224. An act for the benefit of Sebastian Florence.

225. An act for the benefit of Elizabeth Perry, administratrix of Thomas Perry, of Charles county.

226. An act relative to swine going at large in the town of Bladensburg, in Prince George's county.

227. An act to make valid a deed from Isaac Bowen, of Calvert county, to James B. Dixon.

228. An act to regulate the per diem of certain civil officers in Washington county.

229. An act entitled, a further supplement to the act, enlarging the powers of the high court of chancery.

230. An act relating to the school fund of Harford county.

231. An act to incorporate a company to make a turnpike road from the town of Cumberland, by the nearest and most practicable route to the Pennsylvania line, in the direction of Bedford, Pennsylvania.

232. An act directing the commissioners of Harford county, to publish annually, a full statement of the expenditures on account of the alms house, in said county.

233. An act for the classification of the business of the county court of Washington county.

234. An act to authorize the commissioners for Somerset county, to summons persons before them.

235. An act for the benefit of Daniel Hauer, of Washington county.

236. An act to allow Jesse Scott, late sheriff of Talbot county, further time to complete his collections.

237. An act to repeal the ninth and twelfth sections of the act of seventeen hundred and fifteen, chapter forty-eight.

238. An act relating to the levy of direct taxes in Baltimore county, for the years eighteen hundred and forty-one and eighteen hundred and forty-two.

239. An act to confirm an act entitled, an act to abolish certain offices on the Eastern Shore of this State, passed at December session, eighteen hundred and forty-one, chapter two hundred.

240. An act to change the name of James G. Kell, of Saint Mary's county, to James G. Gilmore.

241. An act to incorporate the Seamen's Beneficial Society.

242. An act relating to the commissioners of tax of Anne Arundel county.

243. An act to confirm and make valid a certain deed therein mentioned.

244. An act to repeal the act of eighteen hundred and thirty-two, chapter two hundred and thirty.

245. An act for the relief of Henry P. Wheeler.

246. An act so to change the Constitution and Form of Government of this State, as to provide for the election of a sheriff in and for Baltimore county, and a sheriff in and for the city of Baltimore.

247. An act for the benefit of the estate of Littleton T. Adams, deceased.

248. An act to lay out and open a road through a part of Frederick and Montgomery counties.

249. A supplement to an act entitled, an act to authorize the Mayor and City Council of Baltimore, to license wood hucksters in the city of Baltimore, passed at December session, eighteen hundred and forty, chapter one hundred and ninety.

250. An act to incorporate the Port Deposit Academy, in Cecil county.

251. An act to extend the charters of the several banks therein mentioned.

252. An act entitled, an act to lessen the annual expenses of Dorchester county.

253. An act to authorize the trustees of primary school, number seventeen, in Queen Anne's county, to sell and convey a portion of the school lot therein mentioned.

254. An act to make valid the acts and proceedings of Richard White, as a justice of the peace, for Allegany county.

255. A supplement to the act entitled, an act to provide for the election of the justices of the levy court, of Frederick county, by the people, passed at December session, eighteen hundred and thirty-eight, chapter two hundred and sixty-one.

256. An act to change the names of John Wesley McNelly, senior, and John Wesley McNelly, junior.

257. An act supplementary to an act entitled, an act to authorize the licensing of stock brokers, exchange brokers, and bill brokers, and to regulate contracts for the purchase and sales of loans and stocks, passed at December session, eighteen hundred and forty-one, chapter two hundred and eighty-two.

258. An act to regulate the inspection of lumber for the city and county of Baltimore.

259. Charter for a college at New Windsor, Carroll county, Maryland.

260. An act supplementary to an act entitled, an act for the more speedy completion of the consolidated lotteries, and the augmentation of the State's revenue from that source.

261. An act to incorporate the trustees of New Design school in Cecil county.

262. An act for the relief of John Porter, of Allegany county.

263. A supplement to the act to establish magistrate's courts, in Prince George's county, passed December session, eighteen hundred and forty-one, chapter one hundred and ninety-nine.

264. An act to authorize John Spear, late collector of the second collection district of Anne Arundel county, further time to complete his collections.

265. An act to amend the act of December session, eighteen hundred and forty, chapter two hundred and twenty-three.

266. An act to provide for a court, in Allegany county, for the transaction of business on the equity side of the court in said county, and for other purposes.

267. A supplement to the act entitled, an act to incorporate the stockholders of the Farmer's and Mechanic's Bank of Baltimore, passed at December session, eighteen hundred and ten, chapter seventy-seven.

268. An act for the benefit of the sisterhood of Mount Saint Joseph's.

269. An act further supplementary to an act entitled, an act for the general valuation and assessment of property in this State, and to provide a tax to pay the debts of the State, passed March session, eighteen hundred and forty-one, chapter twenty-three.

270. An act for the relief of William James Scott, an infant of Baltimore county.

271. An act for the benefit of the vestries of Prince George's and Saint Bartholomew's parishes, in Montgomery county.

272. A further supplement to the act passed at December session, eighteen hundred and thirteen, chapter two hundred and sixteen, entitled, an act relating to the sheriff's and for other purposes.

273. An act entitled, an act to abolish the office of Examiner General on the Eastern Shore of this State.

274. An act to allow David G. Odell, former sheriff and collector of Worcester county, further time to complete his collections.

275. An act to authorize the Franklin Saving's Institution of Baltimore, to settle up its affairs.

276. An act to amend the Constitution of Maryland, by taking from the Legislature the power of pledging the credit of the State in aid of works of internal improvement by any future issue of State bonds.

277. An act to repeal an act entitled, an act supplemental to an act entitled, a supplement to an act entitled, an act to provide for the inspection of Plaister of Paris in the city of Baltimore, passed at December session, eighteen hundred and forty-one, chapter one hundred and two.

278. An act for the benefit of Israel Knode, of Washington county.

279. A supplement to an act to prevent unlawful dealing with negroes in Anne Arundel county, and in Howard District.

280. An act for the benefit of William G. Penn.

281. An act entitled, an act to prohibit the formation of secret societies of negroes.

282. An act to amend the act entitled, a supplement to an act entitled, an act for the preservation and repair of that part of the United States road with in the limits of the State of Maryland.

283. An act relating to suits on constable's bonds.

284. An act for the benefit of Mary Brown.

285. An act entitled an act to establish magistrates' courts in the several counties of the State, and to prescribe their jurisdiction so far as relates to Talbot county.

286. A supplement to the act entitled an act to authorize the drawing of a lottery in Charles county.

287. A supplement to an act entitled an act relating to the Franklin turnpike road.

288. A further supplement to an act regulating writs of error, and granting appeals to the Court of Appeals.

289. A supplement to an act entitled na act to limit the number of Constable's in Anne Arundel county, and to increase their fees.

290. An act to incorporate the Maryland State Bible Society.

391. An act for the relief of the heirs of Francis Segar, the elder, and others.

292. An act to restrain rigour of speedy proceedings for the recovery of small debts.

293. An act to regulate conjugal rights as they regard property.

294. An act entitled an act declaratory of the act of the General Assembly, passed at December session, eighteen hundred and forty-one, chapter three hundred and twenty-five.

295. An act concerning the Annapolis and Elk Ridge Rail Road company.

296. A further supplement to the act entitled, an act to establish a bank and incorporate a company under the name of the Washington county bank, at the town of Williamsport in Washington county, passed at December session, eighteen hundred and thirty-one, chapter one hundred and thirty-three.

297. An act to allow Coleman Offutt, of Montgomery county, to erect gates on a public road in said county.

298. An act entitled, an act to incorporate the trustees of the Hopewell Academy in Montgomery county.

299. An act to provide for the payment of the journal of accounts.

300. An act to incorporate the New Middleburg school.

301. An act to sell the State's interest in the internal improvement companies, and to pay the debts of the State.

302. An act supplementary to the act for the payment of the journal of accounts.

LIST OF RESOLUTIONS.

No. 1. Resolution directing the Secretary of State, Treasuerer of the W. Shore, and State Librarian, to prepare a system of education.

2. Resolution in favor of Elizabeth Frazier.

3. Resolution in favor of Richard L. Jenkins.

4. Resolution in favor of Amos Willson, of R.

5. Resolution in favor of the heirs of Capt. George Dent, deceased.

6. Resolution in favor of Capt. James M. Schley.

7. Resolution for lighting lamps on State House hill.

8. Resolution in favor of Ephraim Smith of Baltimore city.

9. Resolution directing the Governor to employ counsel, &c. to attend the argument of writs of error to the Supreme Court of the U. S. from the Court of Appeals, under the act of eighteen hundred and forty-one, chapter twenty-three.

10. Resolution for the payment of the members and officers of the Legislature.

11. Resolution directing the Librarian to furnish the Treasurer Western Shore with a copy of the late census.

12. Resolution relative to certain powers vested in the Commissioner of Loans and Treasurer Western Shore.

13. Resolution directing the Governor to employ counsel in a certain case therein mentioned.

14. Resolution in favor of judges of orphans courts of this State.

15. Resolution directing the Librarian to furnish the register of wills of Washington county, with the index of the laws from 1825 to 1831.

16. Resolution in relation to the copies of the census in the State Library.

17. Resolution in relation to the tolls on the National Road.

18. Resolution in favor of Capt. John McCollum, of the Westminster Guards.

19. Resolution in relation to the tobacco warehouse No. 2, in Baltimore city.

20. Resolution relating to Island Creek Academy.

21. Resolution relating to Frederick Fritz alias Jacob Bruker.

22. Resolution in favor of Capt. James M. Anderson of the Baltimore Invincibles.

23. Resolution in relation to the Chesapeake and Ohio Canal Company.

24. Resolution in favor of the widow of Laurence Simpson.

25. Resolution in favor of Capt. Samuel Whittington of Calvert county.

26. Resolution in relation to the estate of Col. A. Jessup.

27. Resolution in favor of the Penitentiary.

28. Resolution relating to damages sustained by certain persons at tobacco warehouse, No. 2, in the city of Baltimore.

29. Resolution in favor of Ellen Henry.

30. Resolution relating to the Washington Monument.

31. Resolution in relation to the Farmers' and Millers' Bank of Hagerstown.

32. Resolution relating to Frederick Fritz alias Jacob Bruker.

33. Resolution requesting our Senators and Representatives in Congress to have the stock of the United States in the Chesapeake and Ohio Canal Company transferred to the State of Maryland.

34. Resolution requesting our Representatives in Congress to use their exertions to have refunded to the State of Maryland $27,000, with interest, advanced to the General Government in 1790.

35. Resolution relating to the Academies in Baltimore county.

36. Resolution relating to the Terasuerer elect.

37. Resolution in favor of Samuel Kirby.

38. Resolution in favor of certain members of the Legislature.

39. Resolution in favor of John H. T. Magruder.

40. Resolution in favor of Andrew Slicer and William Murdoch.

41. Resolution relating to certain acts of the present session of the General Assembly.

42. Resolution relating to newspapers.

43. Resolution in favor of the Rev. Mr. Winslow and Rev. Mr. Merrikin.

44. Resolution in favor of Gilbert Murdoch, junior.

45. Resolution in favor of the Printers to the House.

46. Resolution in relation to the Magazine.

47. Resolution relative to the State Librarian.

48. Resolution in favor of William Murdoch.

49. Resolution in favor of William S. Green.

50. Resolution in favor of the Clerks.

51. Resolution in favor of Captain David Emmart.

52. Resolution in favor of Captain Benjamin Yingling.

53. Resolution relative to opening a certain road in Baltimore county.

54. Resolution directing the distribution of weights and measures.